DOCUMENT RESUME

ED 206 218 HE 014 212

TITLE	Faculty Compensation: Schedules, Surveys, and Recommendations for 1981-83.
INSTITUTION	Washington State Council for Postsecondary Education, Olympia.
PUB DATE	Feb 81
NOTE	122p.
EDRS PRICE	MF01/PC05 Plus Postage.
DESCRIPTORS	Comparative Analysis; *Compensation (Remuneration); Faculty Mobility; *Full Time Faculty; Higher Education; Inflation (Economics); Models; Prediction; School Taxes; State Colleges; State Surveys; *Teacher Employment Benefits; *Teacher Salaries; Trend Analysis
IDENTIFIERS	California; Illinois; Indiana; Michigan; Minnesota; Oregon; *Washington; Wisconsin

ABSTRACT

Information on trends in salaries of full-time faculty in Washington public higher education institutions and recommendations regarding a restructured salary survey and methods for calculating salary increases are presented. An analysis of out-of-state salary and compensation levels upon which recommendations for Washington salary adjustments in 1981-83 were based and upon which the model salary plan was established is appended, along with the model salary plan, and comparative information on faculty migration and turnover and the relative tax burden of the comparison states. Comparisons were made to research universities, state colleges, and regional universities in seven states (California, Illinois, Indiana, Michigan, Minnesota, Oregon, and Wisconsin). The 1981-83 salary recommendations are based on three components: (1) the percentage needed for catch-up based on the 1980-81 gap in compensation levels relative to the restructured seven state survey; (2) the projected loss of purchasing power that will occur during the biennium (inflation); and (3) funding for the net cost of increment increases to systematically provide for the recognition of professional growth as in other state employee groups and in many out-of-state comparison institutions of higher education. The restructed seven-state survey included a provision to balance state influence on the weighted average, included disciplines that were previously omitted, and took into account fringe benefits. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED206218

STATE OF WASHINGTON

COUNCIL FOR POSTSECONDARY EDUCATION

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

State of Washington Council for PSE

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

FACULTY COMPENSATION:

SCHEDULES, SURVEYS, AND RECOMMENDATIONS

FOR 1981-83

HE 014 217

February, 1981

Contact Person:

Jackie M. Johnson

COUNCIL FOR POSTSECONDARY EDUCATION

CITIZEN MEMBERS

Robert Flennaugh
Chairman
Seattle

Allison S. Cowles
Vice Chairman
Spokane

Arthur Anderson
Tacoma

Ernest M. Conrad
Hansville

Marianne Craft Norton
Mercer Island

Robert Humphrey
Everett

Dorothy McClellan
Spokane

Raymond A. Norwood
Seattle

ADVISORY MEMBERS

Frank B. Brouillet
Superintendent of Public
Instruction

Bernard J. Coughlin, SJ
President
Gonzaga University

Daniel J. Evans
President
The Evergreen State College

Homer Halverson, Director
Commission for Vocational
Education

John Terrey, Director
State Board for Community
College Education

Harold Wosepka, President
Trend Colleges, Inc.

STAFF

Chalmers Gail Norris
Executive Coordinator

William Chance
Deputy Coordinator for
Academic Affairs

Denis J. Curry
Deputy Coordinator for
Finance

908 East Fifth Avenue
Olympia, Washington 98504

FORWARD

This report is a revision of the draft report dated October 8, 1980 as directed by the Council for Postsecondary Education. The extent of the revisions are as follows:

Numeric changes have been made consistent with the action of the Council for Postsecondary Education in adopting the recommendations on October 9, 1980.

Tables 1 through 4 which outline the results of the 1980 salary survey and the basis of the recommendations are included in the body of the report in lieu of Tables 2 through 5 in Appendix D of the draft report.

A discussion of the retirement supplementation has been added to Appendix A.

TABLE OF CONTENTS

	PAGE
Introduction	1
Relative Salary Position of Four-Year Faculty	2
Adoption of a Restructured Salary Survey	4
Salary Increase Recommendations	5
1981-83 Salary Recommendations	7
Future Comparison Surveys	17
A Salary Administration Plan	18
APPENDIX A - Out-of-State Salary and Compensation Comparisons	A-1
APPENDIX B - Faculty Salary Administration Plan: The Concept, Structure and System	B-1
APPENDIX C - Other Issues Relating to Faculty Compensation	C-1
APPENDIX D - Additional Explanatory Information and Analysis	D-1

INTRODUCTION

This report is in response to legislative directives and includes the Council for Postsecondary Education's annual analysis of the status of faculty salaries.

Concern for faculty salaries was expressed by the Legislature during the 1979 Session. Section 163 of the 1979 Appropriations Act included the following directive:

> "The Council (for Postsecondary Education) shall develop a faculty salary schedule or schedules accommodating the full time regular faculty members of the public universities and The Evergreen State College, taking into consideration periodic longevity increments and traditional faculty rank differences. The proposal shall be submitted to the house and senate higher education committees and the house appropriations and senate ways and means committees for review and consideration by June 1, 1980."

Following this directive, the study was expanded by the Legislature to include:

-- A historical presentation of faculty salaries and a discussion of the methodology underlying the various increases over time.

-- Discussion of migration or turnover rates in Washington's institutions as opposed to other appropriate states.

-- Incorporation of disciplines that have traditionally been excluded from such salary survey instruments as the seven state survey, e.g., engineering.

-- Incorporation of benefits other than direct salaries and wages.

-- A general discussion reflecting supply and demand of faculty from various viewpoints (national, regional and state).

Appendix A provides the requested analysis of out-of-state salary and compensation levels upon which Council recommendations for salary adjustments in 1981-83 are based and upon which the values and ranges for the model salary plan were established. Appendix B discusses a model faculty salary administration plan in response to the study directive from the Appropriations and Ways and Means Committees. Comparative information on faculty migration and turnover and the relative tax burden of the comparison states is included in Appendix C. Additional explanatory information and analysis pertinent to the salary recommendations are contained in Appendix D and referenced as appropriate.

RELATIVE SALARY POSITION OF FOUR-YEAR FACULTY

As evidenced by the historical information provided by the Legislative Evaluation and Accountability Program (LEAP) data using the CPI and a 1970 base year, various state employee groups have faired quite differently in their ability to "keep up" with calculated inflation.

Figure I in Appendix D shows cumulative percentage salary increases from a 1970 base for six major employee groups. The increases range from a low of approximately 88 percent over the 11-year period (four-year college and university faculty) to a high of about 120 percent (higher education personnel board classified staff). Certified and classified employees in the K-12 system, State Personnel Board classified employees and community college faculty all experienced eleven year salary growth rates in excess of that provided for four-year faculty members.

Figure II in Appendix D compares percentage growth in average salaries to percentage increases in the U.S. Consumer Price Index since 1970 for the same six employee groups. Three of the six groups (K-12 certificated and classified and HEPB classified) have equaled or exceeded growth in the U.S. CPI at least since fiscal 1975. The State Personnel Board classified staff moved close to the CPI in fiscal 1978, but dropped below that measure thereafter. The two faculty groups appear to have been losing purchasing power consistently based on this measure.

Table 1 in Appendix D provides an overview of faculty salaries since 1968-69. The table displays the average salary for each four-year institution, the community college system and secondary teachers, and the percentage increase over the previous year. For the four-year institutions, the relationship to the seven state comparison group is also displayed as an annual percentage.

One of the primary perceived causes of differences in the percentage increases between four-year faculty and other state employee groups is the recognized system of incremental increases provided employees other than four-year faculty. Recognition of increments in addition to regularly funded salary increases has contributed to the percentage differences among the various employee groups. In recent years reliance on recommendations pertaining to "catch up" did not establish funding policies to adequately compensate Washington faculty members relative either to out-of-state comparison institutions or to the salary increases provided other state employee groups within Washington. The catch-up recommendations were not fully funded.

The primary use of comparative salary and fringe benefit information is the determination of appropriate compensation levels. The research aspects of this study have a direct bearing on executive and legislative decisions regarding faculty salary adjustments for 1981-83. The next section of this report deals directly with this issue and the bases upon which adjustments should be evaluated.

ADOPTION OF A RESTRUCTURED SALARY SURVEY

The recommended 1981-83 adjustments (outlined in Recommendations 2 and 3) are based on the following premises: (1) That appropriately compensated faculty members are essential to the maintenance of strong programs and a worthwhile education for students; and (2) That appropriate compensation levels can be calculated through the use of a well designed, thoroughly evaluated survey of comparison institutions.

The Council's recommendations for faculty salary increases are based on the relationship of salaries and benefits at Washington institutions to the comparison surveys as displayed in Tables D (research universities) and J (state colleges and regional universities) of Appendix A. That appendix outlines the approach used to develop an appropriate comparison for evaluation of competitive compensation levels. While the same seven states* which have been used for comparisons for many years are continued, the institutional composition has been modified to provide a reasonable balance of state influence on the weighted average. In addition, the

---

* California, Illinois, Indiana, Michigan, Minnesota, Oregon, and Wisconsin.

comparison system has been altered to include disciplines that previously have been omitted, to reflect fringe benefits (total compensation) and to insure that the survey includes institutions in a consistent manner over time.

Recommendation 1:

The Council recommends that the Governor and the Legislature accept the restructured seven state survey system on which salary increase recommendations are made as a valid comparison instrument to be used in the budgeting of faculty salary increases.

SALARY INCREASE RECOMMENDATIONS

Alternative Approaches

There are two basic approaches which may be taken in the development of salary adjustment recommendations. The first, and the one which is used by other Washington State personnel jurisdictions, is the calculation of a "prevailing rate." The other approach involves the establishment of a "base year" and a method of adjusting salaries to "maintain purchasing power". The latter approach is normally used only in cases where a comparison system is either inapplicable or not well accepted.

During the 1975-77 and 1977-79 biennia, the Council placed its emphasis on the experienced loss of purchasing power (as indicated by the Consumer Price Index) since 1973-74. In that year, after a period of little or no salary adjustments, the Legislature gave special attention to faculty salaries

based on an extensive analysis. In making its recommendations on the basis of retaining 1973-74 purchasing power, the Council cited numerous problems with the seven state comparison system. These problems have been dealt with in Recommendation 1 of this report.

The most recent recommendations by the Council of Presidents use the base year approach, but tie to a 1970-71 base year. The Consumer Price Index is used to determine the "lost purchasing power." The difficulty of assessing lost purchasing power not only involves the determination of the base year to be used, but it is complicated by the selection of the economic indicator used in the calculation. The State of Washington's Operating Budget Instructions for the 1981-83 biennium call for use of the Implicit Price Deflator (IPD) in the development of agency budgets. The Consumer Price Index (CPI) has come under criticism as being an index that systematically overstates the actual rate of inflation due to its inflexibility for making substitutions and due to the way housing costs are computed. A discussion of this issue is contained in Appendix D, reprinted from Washington State Research Council Report, March 15, 1980.

Irrespective of the salary adjustment approach used, the basis of recommendations involves first an estimate of the need to "catch up" with whatever measure is used followed by a calculation of the projected impact of inflation to determine a "keep up" factor.

Recommended System for Faculty Salary Calculations

As stated on Page 12 of the recently published Legislative Action Report on Compensation Systems 1979-81 Biennium, House of Representatives Appropriations Committee, "Salary increase procedures for faculty members

of the state's institutions of higher education are the least formalized of the large state employee jurisdictions." The directive to the Council to develop salary schedules is evidence of the Legislature's recognition that a more formalized approach to faculty salary policy should be developed. In light of this need, the Council's recommendations for the 1981-83 biennium are a departure from the calculation of lost purchasing power and represent a biennial plan to bring faculty salaries to appropriate current levels and provide the mechanism for maintaining such levels in each ensuing biennium. The method applied in calculating 1981-83 salary recommendations is proposed as a system for use also in future biennia.

1981-83 SALARY RECOMMENDATIONS

Adjustment for Comparison Group Compensation Parity

The 1981-83 salary recommendations are based on three distinct components. The first is the percentage needed for "catch up" based on the 1980-81 gap in compensation levels relative to the restructured seven state survey.

Responding to the legislative directive to incorporate a review of fringe benefits into this study, Tables 4 and 5 in Appendix D illustrate the gap in total compensation (salary and fringe benefits combined) at each of Washington's four-year institutions. The gap in current fringe benefits alone ranges from 21-35 percent. When applied to total compensation, this difference produces at least an additional 3.0 percent shortfall at each Washington institution. The detailed analysis in Appendix A provides a discussion concerning fringe benefits which indicates that the

gap is primarily due to differences in the level of state support of retirement programs.

The analysis of the compensation gap and the differences in state support of retirement programs is made exclusive of the value of retirement supplementation separately appropriated by the Legislature on behalf of persons retired from the institutions. The value of the supplementation is a state supported fringe benefit. However, the current expense does not relate to current faculty members and does not contribute to the compensation level of the persons included in the analysis. The amount which needs to be taken into account is the contribution rate which is estimated to be necessary to avoid future retirement supplementation.

It is recognized that legislative consideration of improvements in benefit programs extends beyond the population of faculty members and undoubtedly would include consideration of benefits for all Washington state employees. Specific recommendations on fringe benefits for all employees are beyond the scope of this study. Consideration of the differences in faculty compensation levels, however, may be corrected either through salary increases adequate to achieve total compensation parity or through the improvement of fringe benefit programs.

Within the context of these recommendations, the purposes of a survey of comparative salaries and fringe benefits are to establish the degree to which compensation for Washington faculty members have or have not kept pace with compensation levels observed at peer institutions and to assess the percentage of catch up that might be needed at the beginning of a

biennium. An annual review of comparative salaries is intended to provide interim analysis on the relative degree of change occurring within other states during the biennium.

Provision for Projected Inflation

The second component of the recommendations is the projected loss of purchasing power that will occur during the biennium. Overall inflation factors using the estimated IPD (consistent with the state operating budget instructions) for fiscal 1982 (9.8 percent) and fiscal 1983 (8.7 percent) are reflected in the Council's recommendation.

Provision for Professional Growth Increments

The third component of the Council's salary recommendations is funding for the net cost of increment increases to systematically provide for the recognition of professional growth as in other state employee groups and in many out-of-state comparison institutions of higher education.

The calculated percentage of net incremental costs is based on the subset of 9-10 month full-time faculty as reported in HEGIS. This is the same data base for which the model salary plan was developed and upon which salary comparisons are made for purposes of the Council recommendations. The net percentage of incremental costs would be applied to all faculty and exempt personnel.

1981-83 Salary Recommendations

The components outlined above establish a sound basis for the continued review of compensation levels relative to comparison institutions and the continued maintenance of adequate compensation through recognition of inflation and professional growth during a biennium. While the mechanism

will not automatically prevent the need for future consideration of "catch up" with comparison institutions, it is intended to equalize compensation levels and should therefore minimize the extent of any compensation gap.

Recommendation 2:

The Council recommends that legislatively authorized faculty salary increases for four-year institutional faculty and exempt staff for 1981-82 be based on the 1980-81 demonstrated compensation gap offset as appropriate by any percentage increase in fringe benefits authorized to all state employees, plus the determined net cost of increments as measured against the model salary plan and an adjustment of 9.8%* equal to the estimated Implicit Price Deflator increase for fiscal 1982.

Recommendation 3:

The Council recommends that legislatively authorized faculty salary increases for the four-year institutional faculty and exempt staff for 1982-83 be based on the determined net cost of increments as measured against the model salary plan plus an adjustment of 8.7%* equal to the estimated Implicit Price Deflator increase for fiscal 1983.

Developing specific recommendations for salary increases for community college faculty and exempt staff consistent with the methodology and rationale employed in the development of the recommendations for four-year

---

* Estimated percentages are the most current available and reflect a slightly downward projection from earlier estimates.

institutions is hampered by the lack of "prevailing rate" information. It should be noted that in the past salary comparison data for community colleges have not been routinely included in the recommendations of either State Board for Community College Education or the Council for Postsecondary Education which accounts for the lack of an information base.

In developing a salary recommendation, a number of alternatives were considered. One was based on a historical review of a relationship of community college salaries to those of the four-year institutions. In addition, a number of alternatives analyzing the "lost purchasing power" concept were reviewed. These included various base year assumptions, as well as the use of both the Consumer Price Index and the Implicit Price Deflator. The range of adjustments that evolved was from approximately 17 - 24 percent.

In the interim, however, it was felt that an approach that was both fair and consistent with the four-year recommendations would be most appropriate. This philosophy is reflected in the following recommendation which would maintain the compensation levels of all two and four-year faculty and exempt staff in a like manner untila separate comparison group is developed for community college faculty and exempt staff.

Recommendation 4:

The Council recommends that salary increases in the community college system be based on the weighted average percentage of the increases recommended for the four-year institutions for the 1981-83 biennium.

Specific percentage increases recommended which reflect actual fall 1980 data are as follows:

	1981-82	1982-83
University of Washington	21.1%	11.0%
Washington State University	23.5%	10.8%
Central Washington University	19.2%	10.5%
Eastern Washington University	22.0%	11.0%
The Evergreen State College	23.6%	11.7%
Western Washington University	21.6%	11.6%
Community Colleges*	21.6%	11.0%

A full discussion of the out-of-state salary and compensation comparisons is contained in Appendix A of this report and includes a number of tables based on 1979-80 data.

The 1980-81 survey on which the above-recommended increases are based, as well as the identification of the components of those recommendations, are contained on the following four tables. The components for first and second year increments are consistent with the model salary schedules in Appendix B. The experienced savings from faculty turnover and professional leave for 1979-80 were calculated through the use of Figure III (Appendix D).

---

* Weighted average of the four-year institutions.

TABLE 1

Development of Council for Postsecondary Education Recommendations
Compensation

1981-82

	1980-81 Compensation Gap	Fiscal 1982 Implicit Price Deflator	First Year Increments	Subtotal	Less Experienced Salary Savings	1981-82 Additive Total	1981-82 Compounded Total
UW	8.0%	9.8%	3.1%	20.9%	(1.0%)	19.9%	21.1%
WSU	10.4%	9.8%	3.1%	23.3%	(1.2%)	22.1%	23.5%
CWU	6.8%	9.8%	3.1%	19.7%	(1.4%)	18.3%	19.2%
EWU	8.8%	9.8%	3.1%	21.7%	(1.0%)	20.7%	22.0%
TESC	9.5%	9.8%	3.1%	22.4%	(.3%)	22.1%	23.6%
WWU	7.8%	9.8%	3.1%	20.7%	(.4%)	20.3%	21.6%
CC's*	8.5%	9.8%	3.1%	21.4%	(1.0%)	20.4%	21.6%

1982-83

	Fiscal 1983 Implicit Price Deflator	Second Year Increments	Subtotal	Less Experienced Salary Savings	1982-83 Additive Total	1982-83 Compounded Total
UW	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%
WSU	8.7%	3.1%	11.8%	(1.2%)	10.6%	10.8%
CWU	8.7%	3.1%	11.8%	(1.4%)	10.4%	10.5%
EWU	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%
TESC	8.7%	3.1%	11.8%	(.3%)	11.5%	11.7%
WWU	8.7%	3.1%	11.8%	(.4%)	11.4%	11.6%
CC's*	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%

* All columns reflect the weighted average of the four-year colleges and universities.

TABLE 2

Development of Council for Postsecondary Education Recommendations
Salary

1981-82

	1980-81 Salary Gap	Fiscal 1982 Implicit Price Deflator	First Year Increments	Subtotal	Less Experienced Salary Savings	1981-82 Additive Total	1981-82 Compounded Total
UW	5.7%	9.8%	3.1%	18.6%	(1.0%)	17.6%	18.5%
WSU	8.8%	9.8%	3.1%	21.7%	(1.2%)	20.5%	21.7%
CWU	5.2%	9.8%	3.1%	18.1%	(1.4%)	16.7%	17.5%
EWU	7.0%	9.8%	3.1%	19.9%	(1.0%)	18.9%	20.0%
TESC	7.9%	9.8%	3.1%	20.8%	(.3%)	20.5%	21.8%
WWU	6.3%	9.8%	3.1%	19.2%	(.4%)	18.8%	19.9%
CC's*	6.6%	9.8%	3.1%	19.5%	(1.0%)	18.5%	19.5%

1982-83

	Fiscal 1983 Implicit Price Deflator	Second Year Increments	Subtotal	Less Experienced Salary Savings	1982-83 Additive Total	1982-83 Compounded Total
UW	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%
WSU	8.7%	3.1%	11.8%	(1.2%)	10.6%	10.8%
CWU	8.7%	3.1%	11.8%	(1.4%)	10.4%	10.5%
EWU	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%
TESC	8.7%	3.1%	11.8%	(.3%)	11.5%	11.7%
WWU	8.7%	3.1%	11.8%	(.4%)	11.4%	11.6%
CC's*	8.7%	3.1%	11.8%	(1.0%)	10.8%	11.0%

* All columns reflect the weighted average of the four-year colleges and universities.

TABLE 3

Seven State Survey for Research Universities
Academic Year Salaries 1980-81

INSTITUTIONS	ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			ALL RANKS		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
California	509	$21,268	$10,825,253	614	$25,757	$15,814,653	1,742	$38,863	$67,698,553	2,865	$32,928	$94,338,459
Illinois	347	21,376	7,417,615	450	24,752	11,138,616	786	36,347	28,568,785	1,583	29,769	47,125,016
Indiana	251	19,715	4,948,383	322	24,039	7,740,401	520	32,467	16,883,131	1,093	27,056	29,571,915
Michigan	310	20,801	6,448,319	316	26,255	8,296,621	794	36,368	28,875,844	1,420	30,719	43,620,784
Minnesota*	265	19,273	5,107,341	321	24,218	7,774,083	567	33,971	19,261,574	1,153	27,878	32,142,998
Oregon	158	18,631	2,943,706	177	22,977	4,066,874	271	30,102	8,157,576	606	25,030	15,168,156
Wisconsin	231	20,227	4,672,544	209	23,690	4,951,275	778	32,983	25,660,735	1,218	28,969	35,284,554
TOTAL	2,071	$20,455	$42,363,161	2,409	$24,816	$59,782,523	5,458	$35,747	$195,106,198	9,938	$29,910	$297,251,882
WASHINGTON												
UW	271	$19,298	$ 5,229,672	350	$23,727	$ 8,304,454	593	$33,690	$19,978,398	1,214	$27,605	$33,512,524
WSU	194	20,086	3,896,729	196	23,474	4,600,870	221	30,673	6,887,802	611	25,181	15,385,401
TOTAL	465	$19,627	$ 9,126,401	546	$23,636	$12,905,324	814	$33,005	$26,866,200	1,825	$26,793	$48,897,925

Computation of Comparative Position 1980-81

	UW			WSU		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
Professor	593	$35,747	$21,197,971	221	$35,747	$ 7,900,087
Associate Professor	350	24,816	8,685,600	196	24,816	4,863,936
Assistant Professor	271	20,455	5,543,305	194	20,455	3,968,270
Average at Seven State Rate	1,214	$29,182	$35,426,876	611	$27,385	$16,732,293
Actual Average		$27,605			$25,181	
% of Increase to Equal Seven State Rate		5.7%			8.8%	

* University of Minnesota estimated. 1979-80 rank mix increased by 7.0% on advice of institution Budget Officer.

TABLE 4

Seven State Survey for Regional Institutions
Academic Year Salaries 1980-81

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
California	460	$20,910	$ 9,618,444	801	$25,649	$20,545,020	1,833	$33,242	$60,931,980	3,094	$29,443	$91,095,444
Illinois	634	18,625	11,808,273	580	22,998	13,338,786	666	28,551	19,014,852	1,880	23,490	44,161,911
Indiana	398	18,164	7,229,326	374	22,855	8,547,689	618	28,491	17,607,686	1,390	24,018	33,384,701
Michigan	363	19,583	7,108,579	462	23,137	10,689,235	446	28,715	12,806,687	1,271	24,079	30,604,501
Minnesota*	337	19,225	6,478,959	290	22,289	6,463,873	363	27,447	9,963,300	990	23,132	22,906,132
Oregon	133	18,263	2,429,010	236	21,603	5,098,399	244	26,685	6,511,189	613	22,901	14,038,598
Wisconsin	371	19,489	7,230,559	445	22,991	10,230,905	441	28,222	12,445,874	1,257	23,793	29,907,338
TOTAL	2,696	$19,252	$51,903,150	3,188	$23,499	$74,913,907	4,611	$30,206	$139,281,568	10,495	$25,355	$266,098,625
WASHINGTON												
CWU	66	$19,873	$ 1,311,624	99	$22,686	$ 2,245,905	129	$27,660	$ 3,568,109	294	$24,237	$ 7,125,638
EWU	63	19,246	1,212,481	109	23,108	2,518,810	149	26,885	4,005,904	321	24,103	7,737,195
TESC	12	18,676	224,115	47	23,275	1,093,942	50	26,367	1,318,367	109	24,187	2,636,424
WWU	74	18,426	1,363,505	192	22,705	4,359,317	143	27,419	3,920,921	409	23,579	9,643,743
TOTAL	215	$19,124	$ 4,111,725	447	$22,859	$10,217,974	471	$27,204	$12,813,301	1,133	$23,957	$27,143,000

Computation of Comparative Position 1980-81

	CENTRAL Number in Rank	Average Salary	Gross Product	EASTERN Number in Rank	Average Salary	Gross Product	EVERGREEN Number in Rank	Average Salary	Gross Product	WESTERN Number in Rank	Average Salary	Gross Product
Professor	129	$30,206	$ 3,896,574	149	$30,206	$ 4,500,694	50	$30,206	$ 1,510,300	143	$30,206	$ 4,319,458
Asso. Prof.	99	23,499	2,326,401	109	23,499	2,561,391	47	23,499	1,104,453	192	23,499	4,511,808
Asst. Prof.	66	19,252	1,270,632	63	19,252	1,212,876	12	19,252	231,024	74	19,252	1,424,648
Ave. at Seven State Rate	294	$25,488	$ 7,493,607	321	$25,779	$ 8,274,961	109	$26,108	$ 2,845,777	409	$25,076	$10,255,914
Actual Average		$24,237			$24,101			$24,187			$23,579	
% of Inc. to Equal Seven State Rate		5.2%			7.0%			7.9%			6.3%	

* Mankato State University estimated at average of other three.

FUTURE COMPARISON SURVEYS

Four-Year Institutions

If the modified seven state comparison system is to be used as a major element in decisions on faculty salary increases, it is desirable that the surveys be conducted by an organization not directly connected with the institutions. Consistency of definition and survey composition needs to be monitored if the credibility of the process is to be accepted. No criticism of the efforts of the previous COP staff work is intended. However, it would be preferable if the Council for Postsecondary Education would conduct the surveys with COP assistance. The Council staff now conducts annual reviews of faculty salaries and conducts multi-state surveys of tuition and fees and financial indicators. The use of the HEGIS data base will aid in expediting survey responses and there should be no material impact on staff workload from this recommendation.

Recommendation 5:

The Council recommends that Council staff, in consultation with the Council of Presidents, conduct the annual review of faculty salaries in four-year institutions incorporating an analysis of total compensation.

Community Colleges

Neither the directive nor the proviso spoke to the salaries of community college faculty. There does not exist an established, routinely

conducted survey of comparison institutions generally accepted as a benchmark for reviewing the status of salaries at Washington community colleges.

Acceptance of the restructured survey for the four-year faculty by the Governor and the Legislature would leave the community college faculty as the only major employee group for which no recognized consistent comparative data are available. The development of a comparison survey for the community colleges would provide consistent information over time relative to compensation levels for faculty members in other state-supported systems. In addition, a community college faculty salary survey would help to fulfill the Council's on-going responsibilities regarding faculty salary recommendations.

Recommendation 6:

The Council recommends that the Council staff in consultation with the State Board for Community College Education develop and conduct an annual review of community college faculty salaries and compensation consistent with methodology used in the four-year faculty comparisons.

A SALARY ADMINISTRATION PLAN

The Council was directed to develop a faculty salary schedule or schedules accommodating the full-time regular faculty members of the public universities and The Evergreen State College and submit the proposal to the House and Senate Higher Education Committees and the House Appropriations and Senate Ways and Means Committees for review and consideration.

This project was initiated one year ago and has for a year been continuously discussed by faculty, administrators, Council staff and other interested persons in both formal meetings and informal conversations. On three occasions the progress of the study was discussed at Council for Postsecondary Education Committee Meetings.

By virtue of Council's receiving the directive, a certain level of expectation was expressed by many persons outside the Council concerning the ultimate outcome of this project. Multi-institution salary schedules had been discussed for years with no apparent consensus among the institutions. There existed an expectation that the Council would bridge this lack of concensus with a single or dual plan acceptable to all faculties and administrators, as well as the legislative and executive branches of state government. There also existed a firm posture by some that state imposed salary schedules were wholly inappropriate to the autonomous functions of an institution with a separate governing board.

A Model Salary Plan

The faculty salary administration plan encompassed within this report (Appendix B) can be viewed as a "salary environment" which offers greater consistency and understandability to the faculty without diminishing necessary institutional flexibility to recognize outstanding performance. This salary environment in many ways can be viewed as a "sunshine schedule" in that it provides a basis upon which the collegial process can function with full understanding of all those who are parties to that process.

As is the case with all salary schedules, it contains a funding plan. This funding plan (called the "Funding Schedule") is the element which is

of specific use to parties outside the institution: The Governor, the Legislature, the Council for Postsecondary Education. The important added feature is the "minimum" schedule. The difference represents the first level range of flexibility available to institutions to recognize market factors and/or meritorious service. Adjustments above the minimum schedule would not be viewed as automatically recurring in the case of the individual but subject to continuing evaluation processes.

The flexibility of the model salary environment is further enhanced by the fact that there are no constraints imposed by an outside party on the number of steps which can be given to any one individual or any requirement that a step be given each year or that steps cannot be taken away. This is an appropriate subject for the operation of a collegial process in conjunction with the faculties of the respective institutions. Flexibility and a recognition of the differences among the public four-year institutions is thereby enhanced and not eroded by any outside agency.

The operation of the continuing dialogue between the faculties and the administration can, of course, result in different applications of the same environment among different institutions. By stressing the necessity for the use of the collegial process on the respective campuses, a greater internal consistency in application of salary administration policy will, or is likely to, evolve within the institution.

The establishment of salary values for the model has been based on the comparative salary analysis (Appendix A) and the preceding Council recommendations pertaining to the 1981-83 salary levels by rank. The

exhibits in Appendix B reflect the model with the 1981-82 values consistent with the Council's recommendations on salary increases.

Recommendation 7:

The Council hereby transmits this model salary plan in response to the Appropriations Act proviso. Statewide requirement of uniform salary schedules is not, however, recommended at this time.

Implementation of a Salary Plan

Washington institutions have had a long history of autonomy along with a well established tradition with regards to open communication among the institutions, the Council for Postsecondary Education, the Governor, and the Legislature. As postsecondary education in the State of Washington moves into the decade of the 80's, the ability for institutions to maintain their vitality when faced with some very difficult times regarding funding, enrollment, and other issues will need to be based on the collegial process with local problems being worked out and solved within the internal structures of the individual institutions. The institutions need to be fully aware, however, that recognition of the desirability of decentralization carries with it a certain responsibility to be cognizant of the requirements of other state agencies, and their sister institutions, as well as to the needs of faculty, staff, and students within their own institution.

It is the Council staff's opinion that the two salary schedules that have been developed - one for the two doctoral universities and one for

the regional universities and The Evergreen State College - are excellent prototypes. Nevertheless, institutions should be allowed to choose whether or not to use the model as developed or to make adaptations for specific and unique campus needs.

The model that has been developed is the result of extensive research and the consultative process used in the study. It may well serve the objectives of one or more institutions as designed, or with internal review, may be more appropriate to an institution with internally designed modifications.

It is important to understand that salary plans developed and implemented by individual institutions would not in themselves result in differing percentages of salary increases being appropriated. Budgeting decisions based on appropriate average salary levels in consideration of cost of living increases and parity with comparison institutions need not contradict an institution's individual internal allocation system.

Recommendation 8:

The Council recommends that in all four-year institutions boards of trustees and regents implement a fully communicated salary system that would respond to the reasonable expectations of their faculty for equitable increases in a consistent manner.

Other Faculty Members

In the context of developing a model plan for full-time regular faculty salaries, various questions were raised as to the planned

relationship or conversion index that would be proposed for faculty on other contract lengths (12 month) and appointments (agricultural extension agents, librarians, and research faculty). No data were available concerning the average salary relationship of these employee groups to full-time regular faculty at comparison institutions by which to ascertain average conversion rates. There does not appear to be the same level of commonality in such positions as is found in academic ranked faculty among comparable institutions. Qualifications and responsibilities frequently differ among positions of like title among different institutions.

For these reasons, and with the expectation that average percentage increases for twelve month faculty and other non-classified staff comparable to those for ranked faculty will be provided, no specific model plan for these categories has been developed.

Recommendation 9:

The Council recommends that institutions establish communicated and consistent salary conversion rates appropriately designed for faculty members of differing contract lengths and appointments.

APPENDIX A

Out-of-State Salary and Compensation Comparisons

The seven state survey has been used since the early 1950's for the purpose of salary comparisons. The major universities in the states of California, Illinois, Indiana, Michigan, Minnesota, Oregon, and Wisconsin were selected by the University of Washington as the primary group for establishing a bench mark against which faculty salaries could be compared. In 1959, following the suggestion of the Central Budget Agency (CBA) (now the Office of Financial Management) and the legislative auditor, the University of Washington and Washington State University agreed to use the same seven state institutions. At that time the survey was accepted by the CBA and the Legislative Budget Committee for use in budgeting faculty salary increases. By 1962, the regional universities (then state colleges) also agreed to reduce their comparison group to the same seven states, with 22 institutions in those states constituting the basis for their survey. In 1968, the colleges and universities in the regional institution survey were modified in response to changes in institutional size over previous years.

In 1972, House Floor Resolution 1972-39 directed the Council to review the comparison states and institutions; the criteria for selection, and the continued utility and validity of the survey for comparison purposes, and instructed the Council to determine whether such comparisons serve a useful purpose. The conclusion of that study was as follows:

> "CONCLUSION: While the market place for faculty at four year institutions has become more national in scope, the salary levels of the seven comparison states are reasonably reflective of the nation as a whole. The comparison group is probably as good an indicator, if not better, of competitive market conditions as when it was established."

The seven state survey has been conducted annually by the Council of Presidents (COP) staff. The Council of Postsecondary Education's annual report on the status of faculty salaries has routinely included the final results of this survey as one of the comparison criteria in determining appropriate salary funding, while recognizing that the survey findings have not been used by the Legislature as the primary basis for salary policy since 1969.

The Council (CPE) reports have been critical of the seven state survey, based on three issues:

1. The survey is heavily influenced by the salary policy and decisions of the State of California.
2. The relative weighting of states and the institutions included in the survey have fluctuated over time based on the available data from institutions.
3. The definitions of the survey vary in certain respects from those used at the national level, which has the potential for causing some confusion in comparisons. In addition, respondents have not uniformly followed those definitions.

Points one and two of this criticism are best illustrated by the following displays of percentages of total faculty in the doctoral university survey group from each state included in the survey for three specific years. It illustrates both the heavy weighting of California and the fluctuations of the proportion of faculty reported by the various states.

Percentage of Weighting by State
In Comparison of Seven State Survey
Research Universities

	1974-75	1976-77	Increase (Decrease)	1979-80	Increase (Decrease)
California	35.1%	40.0%	4.9%	35.6%	(4.4%)
Illinois	16.8%	10.7%	(6.1%)	11.5%	.8%
Indiana	11.4%	7.7%	(3.7%)	8.0%	.3%
Michigan	9.2%	10.3%	1.1%	11.6%	1.3%
Minnesota	10.4%	12.6%	2.2%	13.1%	.5%
Oregon	4.2%	4.3%	.1%	4.7%	.4%
Wisconsin	12.9%	14.4%	1.5%	15.5%	1.1%

It may be expected that some variances would occur relative to the staffing patterns of the institutions in the survey. In actuality, the variances have been the result of states submitting a single survey response including all institutions within their systems whether or not all institutions were intended to be a part of the survey as designed.

In making a special data request to a state system office, it is frequently burdensome to seek data on fewer than all institutions in the system especially when a special survey is required. However, the inclusion of additional institutions directly affects the results of a survey, creating an average salary which is a function of disproportionate weightings, as well as the salary policies of comparison institutions over time.

For example, the most recent Council of Presidents' seven state survey for doctoral universities contained the following institutions.

University of California

Los Angeles
Berkeley
Davis
Irvine
Riverside
Santa Barbara
San Diego
Santa Cruz

University of Illinois

Urbana

Indiana University

Bloomington

University of Michigan

Ann Arbor

University of Minnesota

Minneapolis/St. Paul
Duluth (highest degree masters)
Morris (highest degree baccalaureate)
Waseca (two-year technical institute)
Crookston (two-year technical institute)

University of Oregon

Eugene

University of Wisconsin

Madison
Milwaukee

Neither the Minnesota non-doctoral branches nor the Milwaukee campus of the University of Wisconsin were included in the survey in earlier years.

The weighting of California has influenced the survey results both due to the number of institutions included and the percentage of variance that occurs. The size and proximity of California certainly makes it a major competitor in the hiring and retention of quality faculty for higher education. As such, its influence on salary policies in Washington must be considered. Washington institutions, however, compete in a national market place with institutions of similar character, and salary policy decisions should be based on a more balanced representation of that market place.

The use of a multi-state survey as a comparison group is extremely beneficial for the following reasons:

1. Currency of data: Only through the sharing of data with other states can current data be obtained. The volume of data collected by national agencies prohibits the publication of research in a timely manner for decisions to be made on current comparisons.
2. Size of data base: The use of a data base reasonably representative of the national market place provides the opportunity for in depth analysis. The collection and analysis of data approaching national magnitude is cost prohibitive, unmanageable, and unnecessary.
3. Institutions surveyed: The composition of a survey requires reasonable comparability. Survey design that becomes too exclusive can ultimately eliminate most "comparable" participants. Conversely, comparisons made only on the national average as categorized by the American Association of University Professors (AAUP) diminish all sense of comparability due to its total inclusiveness. For example, the category of public doctorate granting universities (to which both the University of Washington and Washington State University would be compared) includes all public institutions which offer the doctorate degree and which conferred in the most recent three years an annual average of fifteen or more earned doctorates covering a minimum of three nonrelated disciplines. The second category (to which Washington's four regional institutions would be compared) includes all public institutions awarding degrees above the baccalaureate but not included as doctorate-granting institutions.

Developing A Comparison Group - Major Universities

To overcome the criticisms discussed concerning the seven state survey, the Council staff developed a restructured comparison group based on the following modifications to the current survey for major universities:

1. All data are from the Higher Education General Information Survey (HEGIS) Salaries, Tenure, and Fringe Benefits of Full-Time Instructional Faculty. This data base was used for the following reasons:

   A. Data are collected by the National Center for Education Statistics (NCES) and used by both NCES and AAUP in the compilation of state and national statistics and comparisons and are, therefore, routinely compiled and readily available on request from state or institutional sources.

   B. HEGIS data are reported by institution (rather than state system totals) thereby eliminating both the need to make special data requests and the need to accept multiple institution responses that cannot be separated.

   C. Council reports have not discussed the relative merits of basing a survey on full-time equivalent (FTE) faculty as opposed to full-time contract faculty. By definition the seven state survey is based on FTE faculty,* including an FTE of part-time faculty. This inclusion of part-time faculty is both reflected in a differing faculty count from the HEGIS base and in somewhat lower salaries for those institutions which maintain a sizeable

---

* Although in practice several institutions have provided data on full-time faculty.

staff of part-time faculty for whom salary policies differ from those for regular full-time contract faculty.

D. By definition, the HEGIS data include all full-time faculty members whose major regular assignment is instruction for all disciplines, including health fields except preclinical and clinical medicine. The legislative directive to the Council specifically called for comparative information which included disciplines traditionally excluded from other survey instruments such as the seven state survey.

E. The HEGIS data base includes aggregate information on continuing faculty which is useful in responding to the legislative directive to provide information on faculty turnover and migration.

F. The HEGIS data base includes information on employer paid fringe benefits by rank and benefit program which can be used to respond to the legislative directive to include analysis of compensation, as well as salary levels.

2. The institutional composition of the seven state survey was modified to achieve a more balanced state weighting, still cognizant of the influence of California, but limiting the scope of that influence to the University of California campuses at Berkeley, Los Angeles, and Davis. The other six states are represented by the single major public university in each state (as in the current survey) omitting the University of Wisconsin at Milwaukee which previously was included in the Madison campus data, and the Duluth, Morris, Waseca, and Crookston campuses of the University of Minnesota which previously were included with the St. Paul/Minneapolis campus data.

3. The seven state survey has routinely compiled the average salary of instructors, as well as the three professorial ranks. The inclusion of instructors provides negligible effects on the overall analysis since Washington institutions employ very few instructors. The legislative directive to the council refers to "traditional faculty rank" and thus all analysis is made on the assistant, associate, and full professor ranks and does not include instructors or lecturers. In keeping with this mode, the comparison survey is also based on the traditional rank faculty.

Changes in the institutional composition and the exclusion of instructors of all states have resulted in the following differences in the three rank state weightings.

State	1979-80 COP Seven State Survey	1979-80 CPE Restructured Seven State Survey
California	35.6%	29.6%
Illinois	11.5%	16.1%
Indiana	8.0%	10.9%
Michigan	11.6%	13.9%
Minnesota	13.1%	11.6%
Oregon	4.7%	6.1%
Wisconsin	15.5%	12.1%

The following tables illustrate the numeric affects of modifying the COP seven state survey.

TABLE A is a reprint of the 1979-80 seven state survey as provided by the COP.

TABLE B illustrates the effect of excluding instructors using the same data base. It should be noted that while the "all ranks average" of the survey changes, that average is not used in any analysis and therefore no significant change occurs.

TABLE A

SEVEN STATE SURVEY FOR FOUR-YEAR RESEARCH UNIVERSITIES

9 - 10 MONTH BASIS

ACADEMIC SALARIES 1979-80

INSTITUTIONS	INSTRUCTOR			ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			TOTAL		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
A California	--	$ --	$ --	814	$19,266	$15,682,546	1,046	$23,437	$24,514,828	2,488	$34,702	$86,339,222	4,348	$29,102	$126,536,596
B Illinois	7	15,352	107,464	335	19,177	6,424,295	394	22,858	9,006,052	661	33,184	21,934,624	1,397	26,824	37,472,435
C Indiana	--	--	--	240	18,017	4,324,080	295	21,868	6,451,060	445	29,158	12,975,310	980	24,235	23,750,450
D Michigan	14	15,848	221,872	282	18,820	5,307,240	322	23,720	7,637,840	802	32,906	26,390,612	1,420	27,857	39,557,564
E Minnesota	83	15,200	1,261 600	430	18,053	7,762,790	445	22,342	9,942,190	644	30,925	19,915,700	1,602	24,271	38,882,280
F Oregon	24	15,405	369,720	130	17,204	2,236,520	159	21,076	3,351,084	262	28,126	7,369,012	575	23,176	13,326,336
G Wisconsin	19	16,305	309,795	488	18,463	9,009,944	427	22,020	9,402,540	962	30,640	29,475,680	1,896	25,421	48,197,959
TOTAL	147	$15,445	$ 2,270,451	2,719	$18,664	$50,747,415	3,088	$22,767	$70,305,594	6,264	$32,631	$204,400,160	12,218	$26,823	$327,723,620
WASHINGTON															
UW	3	$15,968	$ 47,904	285	$17,979	$ 5,124,015	337	$22,212	$ 7,485,444	531	$30,659	$16,279,929	1,156	$25,032	$ 28,937,292
WSU	--	--	--	159	19,083	3,034,197	179	21,986	3,935,494	208	28,693	5,968,144	546	23,696	12,937,835
TOTAL	3	$15,968	$ 47,904	444	$18,374	$ 8,158,212	516	$22,134	$11,420,938	739	$30,106	$22,248,073	1,702	$24,603	$ 41,875,127

A-9

COMPUTATION OF ACADEMIC SALARY COMPARATIVE POSITION 1979-80

	UW			WSU		
	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product
Professor	531	$32,631	$17,327,061	208	$32,631	$ 6,787,248
Associate Professor	337	22,767	7,672,479	179	22,767	4,075,293
Assistant Professor	285	18,664	5,319,240	159	18,664	2,967,576
Instructor	3	15,445	46,335	--	15,445	--
Average at 7 State Rate	1,156	$26,267	$30,365,115	546	$25,330	$13,830,117
Actual Average		$25,032			$23,696	
Percentage of Increase to Equal 7 State Rate		4.9%			6.9%	

OCSCUP
3-25-80

TABLE B

Seven State Survey for Four-Year Research Universities
9 - 10 Month Basis
Academic Salaries 1979-80
(Instructors Excluded)

	ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			ALL RANKS		
INSTITUTIONS	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
California	814	$19,266	$15,682,546	1,046	$23,437	$24,514,828	2,488	$34,702	$86,339,222	4,348	$29,102	$126,536,596
Illinois	335	19,177	6,424,295	394	22,858	9,006,052	661	33,184	21,934,624	1,390	26,881	37,364,971
Indiana	240	18,017	4,324,080	295	21,868	6,451,060	445	29,158	12,975,310	980	24,235	23,750,450
Michigan	282	18,820	5,307,240	322	23,720	7,637,840	802	32,906	26,390,612	1,406	27,977	39,335,692
Minnesota	430	18,053	7,762,790	445	22,342	9,942,190	644	30,925	19,915,700	1,519	24,767	37,620,680
Oregon	130	17,204	2,236,520	159	21,076	3,351,084	262	28,126	7,369,012	551	23,515	12,956,616
Wisconsin	488	18,463	9,009,944	427	22,020	9,402,540	962	30,640	29,475,680	1,877	25,513	47,887,664
TOTAL	2,719	$18,664	$50,747,415	3,088	$22,767	$70,305,594	6,264	$32,631	$204,400,160	12,071	$26,962	$325,453,169
WASHINGTON												
UW	285	$17,979	$5,124,015	337	$22,212	$7,485,444	531	$30,659	$16,279,929	1,152	$25,056	$28,889,388
WSU	159	19,083	3,034,197	197	21,986	3,935,494	208	28,693	5,968,144	546	23,696	12,937,833
TOTAL	444	$18,374	$8,158,212	516	$22,134	$11,420,938	739	$30,106	$22,248,073	1,699	$24,619	$41,827,221

Computation of Academic Salary Comparative Position 1979-80

	UNIVERSITY OF WASHINGTON			WASHINGTON STATE UNIVERSITY		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
Professor	531	$32,631	$17,327,061	208	$32,631	$ 6,787,248
Associate Professor	337	22,767	7,672,479	179	22,767	4,075,293
Assistant Professor	285	18,664	5,319,240	159	18,664	2,967,576
Average at Seven State Rate	1,153	$26,296	$30,318,780	546	$25,330	$13,830,117
Actual Average		$25,032			$23,696	
Percentage of Increase to Equal Seven State Rate		4.8%			6.9%	

TABLE C illustrates the effects of retaining the same set of institutions but changing to the HEGIS data base which includes disciplines of law and health fields (dentistry, nursing, pharmacy, veterinary medicine, etc.) exclusive of preclinical and clinical medicine. In each state it will be noted that the number of faculty and the average salaries of each rank reflect the inclusion of those disciplines.

TABLE D presents the data for the restructured seven state survey composed of the main campus of the research university of each state plus the University of California campuses of Los Angeles and Davis using the HEGIS data base.

It is important to understand the differences between the percentage increase needed to equal the averages of the seven state rate under the surveys in Table A and Table D.

	University of Washington	Washington State University
COP Survey - Table A	4.93%	6.90%
CPE Survey - Table D	3.80%	6.72%

The basic difference lies in moving to a data base that includes disciplines traditionally omitted from the seven state survey and in doing so, the average salary of full professors at the University of Washington increases by two percent, which is not fully matched by the increases exhibited in the comparison institutions.[1] At Washington State University, the inclusion of additional faculty is predominately at the assistant professor rank which changes the institution's rank mix and results in a slightly lower percentage to equal the comparison group average.

---

[1]For example, the University of Washington administrators have advised that the inclusion of Law and Health Sciences faculty has reduced the need gap by approximately 1 percent.

TABLE C

Seven State Survey for Four-Year Research Universities - HEGIS Data
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
California	918	$19,196	$17,622,208	1,159	$23,419	$27,143,136	2,586	$34,587	$89,440,896	4,663	$28,781	$134,206,240
Illinois	361	19,292	6,964,380	460	22,868	10,519,333	769	33,468	25,737,232	1,590	27,183	43,220,928
Indiana	266	17,873	4,754,189	321	21,831	7,007,860	497	29,347	14,585,393	1,084	24,306	26,347,424
Michigan	305	18,758	5,721,149	287	23,739	6,813,181	751	33,239	24,962,464	1,343	27,920	37,496,768
Minnesota	415	17,859	7,411,648	431	22,531	9,711,039	645	31,385	20,243,322	1,491	25,061	37,365,999
Oregon	158	17,193	2,716,516	162	21,131	3,423,282	280	28,440	7,963,089	600	23,505	14,102,887
Wisconsin	471	18,674	8,795,364	452	22,217	10,042,089	954	30,721	29,307,536	1,877	25,650	48,144,976
TOTAL	2,894	$18,654	$53,985,454	3,272	$22,818	$74,659,920	6,482	$32,743	$212,239,932	12,648	$26,952	$340,885,222
WASHINGTON												
UW	293	$18,009	$5,276,767	351	$22,387	$7,858,058	579	$31,265	$18,102,162	1,223	$25,541	$31,236,987
WSU	193	18,867	3,641,291	191	22,096	4,220,351	218	28,816	6,282,028	602	23,494	14,143,670
TOTAL	486	$18,350	$8,918,058	542	$22,285	$12,078,409	797	$30,595	$24,384,190	1,825	$24,866	$45,380,657

Computation of Academic Salary Comparative Position 1979-80

	UNIVERSITY OF WASHINGTON Number in Rank	Average Salary	Gross Product	WASHINGTON STATE UNIVERSITY Number in Rank	Average Salary	Gross Product
Professor	579	$32,743	$18,958,197	218	$32,743	$ 7,137,974
Associate Professor	351	22,818	8,009,118	191	22,818	4,358,238
Assistant Professor	293	18,654	5,465,622	193	18,654	3,600,222
Average at Seven State Rate	1,223	$26,519	$32,432,937	602	$25,077	$15,096,434
Actual Average		$25,541			$23,494	
Percentage of Increase to Equal Seven State Rate		3.83%			6.74%	

TABLE D

Restructured Seven State Survey for Four-Year Research Universities
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			ALL RANKS		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
California	551	$19,351	$10,662,222	650	$23,557	$15,311,959	1,728	$34,988	$60,459,552	2,929	$29,510	$86,433,712
Illinois	361	19,292	6,964,380	460	22,868	10,519,333	769	33,468	25,737,232	1,590	27,183	43,220,928
Indiana	266	17,873	4,754,189	321	21,831	7,007,060	497	29,347	14,585,393	1,084	24,306	26,347,424
Michigan	305	18,758	5,721,149	287	23,739	6,813,181	751	33,239	24,962,464	1,343	27,920	37,496,768
Minnesota	265	18,012	4,773,216	321	22,634	7,265,498	567	31,749	18,001,456	1,153	26,054	30,040,160
Oregon	158	17,193	2,716,516	162	21,131	3,423,282	280	28,440	7,963,089	600	23,505	14,102,887
Wisconsin	252	18,687	4,709,091	208	22,173	4,611,974	734	30,724	22,551,248	1,194	26,694	31,872,304
TOTAL	2,158	$18,675	$40,300,720	2,409	$22,812	$54,953,040	5,326	$32,719	$174,260,432	9,893	$27,243	$269,513,904
WASHINGTON												
UW	293	$18,009	$5,276,767	351	$22,387	$7,858,058	579	$31,265	$18,102,162	1,223	$25,541	$31,236,987
WSU	193	18,867	3,641,291	191	22,096	4,220,351	218	28,816	6,282,028	602	23,494	14,143,670
TOTAL	486	$18,350	$8,918,058	542	$22,285	$12,078,409	797	$30,595	$24,384,190	1,825	$24,866	$45,380,657

Computation of Academic Salary Comparative Position 1979-80

	UNIVERSITY OF WASHINGTON			WASHINGTON STATE UNIVERSITY		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
Professor	579	$32,719	$18,944,301	218	$32,719	$ 7,132,742
Associate Professor	351	22,812	8,007,012	191	22,812	4,357,092
Assistant Professor	293	18,675	5,471,775	193	18,675	3,604,275
Average at Seven State Rate	1,223	$26,511	$32,423,088	602	$25,073	$15,094,109
Actual Average		$25,541			$23,494	
Percentage of Increase to Equal Seven State Rate		3.80%			6.72%	

Two additional comparisons were made which are of significance. A review was made of the validity of a seven state survey as representative of the market place in which our institutions must be competitive. It is extremely difficult to design an expanded or different survey group that would embody "comparability" to the mutual satisfaction of all parties. Several alternative groupings were reviewed in the course of the staff's research. A common denominator among the seven states and Washington research universities is their association in the Big 10 and Pac 10 athletic conferences. While Council staff does not suggest playing football with faculty salaries, one approach explored was the expansion of the research university survey to ten states and fifteen public institutions making the survey sixty percent larger than the restructured seven state survey.

The results of this survey as shown in Table E are significant in that by entirely changing the composition, state weighting and size of the survey group, the percentage needed by Washington institutions to equal the survey averages is basically unchanged. It is not the intent of the Council to recommend an annual review of the Big 10/Pac 10 salaries, but rather to exhibit that the seven state comparison group as restructured is a valid representation of the market place.

Developing a Comparison Group - State Colleges and Regional Universities

A similar approach was used in the review of the seven state survey for the regional institutions. Initially the survey was designed to encompass institutions in a state to approximate similar state weightings as used in

TABLE E

Big 10/Pac 10 Survey for Four-Year Research Universities
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
Arizona	605	$19,851	$12,009,954	600	$24,964	$14,978,320	810	$33,756	$27,342,208	2,015	$26,963	$54,330,430
California	444	19,373	8,601,411	484	23,623	11,433,459	1,491	35,327	52,672,752	2,419	30,057	72,707,615
Illinois	361	19,292	6,964,380	460	22,868	10,519,333	769	33,468	25,737,232	1,590	27,183	43,220,928
Indiana	510	18,040	9,200,479	576	22,208	12,836,165	701	29,891	20,953,264	1,789	24,030	42,989,888
Iowa	202	17,858	3,607,294	257	22,545	5,794,014	339	30,139	10,217,183	798	24,585	19,618,480
Michigan	577	18,516	10,683,932	590	22,848	13,480,340	1,288	31,640	40,752,304	2,455	26,443	64,916,640
Minnesota	265	18,012	4,773,216	321	22,634	7,265,498	567	31,749	18,001,456	1,153	26,024	30,040,160
Ohio	328	19,190	6,294,260	416	23,657	9,841,472	541	32,497	17,580,656	1,285	26,238	33,716,384
Oregon	297	17,211	5,111,639	372	21,199	7,885,976	469	27,825	13,050,155	1,138	22,889	26,047,760
Wisconsin	252	18,687	4,709,0[illegible]	208	22,173	4,611,974	734	30,724	22,551,246	1,194	26,694	31,872,304
TOTAL	3,841	$18,734	$71,955,600	4,286	$23,016	$98,646,496	7,709	$32,282	$248,858,512	15,836	$26,488	$419,410,352
WASHINGTON												
UW	293	$18,009	$5,276,767	351	$22,387	$7,858,058	579	$31,265	$18,102,162	1,223	$25,541	$31,236,987
WSU	193	18,867	3,641,291	191	22,096	4,220,351	218	28,816	6,282,028	602	23,494	14,143,670
TOTAL	486	$18,350	$8,918,068	542	$22,285	$12,078,409	797	$30,595	$24,384,190	1,825	$24,866	$45,380,657

Computation of Academic Salary Comparative Position 1979-80

	UNIVERSITY OF WASHINGTON Number in Rank	Average Salary	Gross Product	WASHINGTON STATE UNIVERSITY Number in Rank	Average Salary	Gross Product
Professor	579	$32,282	$18,691,278	218	$32,282	$ 7,037,476
Associate Professor	351	23,016	8,078,616	191	23,016	4,396,056
Assistant Professor	293	18,734	5,489,062	193	18,734	3,615,662
Average at Seven State Rate	1,223	$26,377	$32,258,956	602	$24,995	$15,049,194
Actual Average		$25,541			$23,454	
Percentage of Increase to Equal Seven State Rate		3.27%			6.41%	

the research university survey. The Council of Presidents' seven state survey for regional institutions is also heavily weighted by California, allows state weightings to fluctuate year-to-year dependent upon reports submitted, and has definitions which vary from those used by national sources.

Institutions included in the survey are as follows:

California (State University)

Chico
Fresno
Humboldt
Long Beach
Sacramento
San Francisco

Illinois

Eastern Illinois University
Illinois State University
Northern Illinois University

Indiana

Indiana State University
Ball State University

Michigan

Western Michigan University

Minnesota

Bemidji State University
Moorhead State University
Winona State University
Mankato State University

Oregon

Portland State University

Wisconsin (University of Wisconsin)

Eau Claire
Oshkosh
River Falls
Stevens Point

Both the weighting of California and the fluctuations of state weightings are illustrated in the following table.

Percentage of Weighting by State
In Comparison of Seven State Survey
State Colleges and Regional Universities

	1974-75	1976-77	Increase (Decrease)	1979-80	Increase (Decrease)
California	41.8%	36.6%	(5.2%)	35.5%	(1.1%)
Illinois	20.0%	18.2%	(1.8%)	18.6%	.4%
Indiana	14.4%	13.2%	(1.2%)	13.0%	(.2%)
Michigan	7.6%	6.3%	(1.3%)	6.6%	.3%
Minnesota	6.0%	9.5%	3.5%	10.5%	1.0%
Oregon	4.1%	4.1%	0	3.8%	(.2%)
Wisconsin	6.1%	12.1%	6.0%	12.0%	(.1%)

Several methods of restructuring for a more balanced survey were reviewed and ultimately a modified composition based on the exclusion of California State University - Long Beach and the inclusion of Eastern Michigan University and Southern Oregon State College provided a reasonably close match to the weightings used in the research university survey.

	1979-80 CPE Restructured Survey - Universities	1979-80 CPE Restructured Regional Institutions
California	29.6%	29.7%
Illinois	16.1%	18.0%
Indiana	10.9%	13.1%
Michigan	13.9%	12.2%
Minnesota	11.6%	9.3%
Oregon	6.1%	5.7%
Wisconsin	12.1%	12.0%

The following tables illustrate the numeric affects of modifying the COP seven state survey:

TABLES F and G are reprints of the 1979-80 seven state survey as provided by COP.

The two versions of this survey are identical with the exception of the use of a "shadow system" of rank for The Evergreen State College on Table G. The development of this system by Evergreen is described in Exhibit A.

At this time the Council of Presidents has not yet voted on the acceptance of this system. However, in the Council staff opinion, the shadow system appears to be more equitable and is being used in this report in all salary analysis for Evergreen faculty.

EXHIBIT A

Assignment of Equivalent Faculty Rank at TESC

This model has been developed to parallel average faculty promotion practices at Central, Eastern, and Western. Information was collected during 1978 from each of these concerning the average length of time spent in each faculty rank, with the following result:

	Instructor	Assistant Professor	Associate Professor
Central	4 years	6.3 years	6.5 years
Eastern	?	7 years	6 years
Western	?	4-6 years	7 years

The model situation for TESC is:

Equivalent Rank	Lapsed Time	Typical Starting Characteristics and Age
Instructor	4 years	No terminal degree, best useful experience, Age 22-26
Assistant Professor	7 years	PhD + one year experience, Age 26-33
Associate Professor	6 years	PhD + 8 years experience, Age 33-40
Professor	n.a.	PhD + 14 years experience, Age 40+

Based on this model, the Evergreen faculty can be assigned equivalent rank each year from our faculty salary scale. For 1979-80:

Equivalent Rank	FTE
Professor	42
Associate Professor	58
Assistant Professor	17
Instructor	1

TABLE H illustrates the effects of excluding instructors using the same data base. It should be noted that while the "all ranks average" of the survey changes, that average is not used in any comparative analysis and therefore no significant change occurs. The survey no longer establishes a comparison average for instructors of which there are 23 total at the Washington institutions. It is assumed that salary decisions would extend to these persons in the same manner as other employees not included in these comparisons.

TABLE I illustrates the effects of changing to the HEGIS data base using the same state composition as TABLE F.

TABLE J is the restructured seven state survey composed of a representation of at least two regional institutions in each state, and again recognizing the size and influence of California.

In reviewing the all ranks average of this table by state, the California average is substantially greater than any other state. In the analysis of the data by institution, it was found that 67.8 percent of the full professors in the California State University institutions are at a salary range of $31,000 - $31,999. No academic year faculty member in California exceeds this range in the 1979-80 HEGIS reports. In the four Washington regional institutions combined only 2.4 percent of the full professors are at this salary range, and none exceed it. It should also be noted that these California faculty members currently have reached the ceiling of their salary scale and are not eligible for annual increments other than cost of living adjustments.

TABLE F

SEVEN STATE SURVEY FOR FOUR-YEAR COLLEGE AND REGIONAL UNIVERSITIES

9 - 10 MONTH BASIS

ACADEMIC SALARIES 1979-80

Traditional TESC Methodology

INSTITUTIONS	INSTRUCTOR			ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			TOTAL		
	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
A California	102	$16,736	$1,709,122	650	$19,019	$12,362,470	1,132	$23,557	$26,666,484	2,265	$30,327	$68,690,321	4,149	$26,375	$109,424,397
B Illinois	295	13,076	3,857,400	685	17,367	11,896,107	570	21,698	12,367,785	629	26,716	16,804,460	2,179	20,618	44,925,752
C Indiana	158	12,243	1,934,320	419	16,639	6,971,819	386	20,840	8,044,305	554	25,941	14,371,484	1,517	20,647	31,321,928
D Michigan	41	13,414	549,974	241	17,748	4,277,268	275	21,225	5,836,875	213	26,795	5,707,335	770	21,262	16,371,452
E Minnesota	181	14,525	2,629,022	390	17,968	7,007,528	308	20,939	6,449,162	352	25,055	8,819,213	1,231	20,231	24,904,925
F Oregon	26	14,192	368,992	88	17,290	1,521,520	168	20,529	3,448,872	169	25,389	4,290,741	451	21,353	9,630,125
G Wisconsin	131	15,544	2,036,320	399	17,850	7,122,235	446	21,287	9,496,115	427	26,175	11,176,744	1,401	21,251	29,829,414
TOTAL	934	$14,010	$13,085,150	2,872	$17,813	$51,158,947	3,285	$22,011	$72,307,598	4,609	$28,175	$129,860,298	11,700	$22,770	$266,411,547
CASHMERE															
CWU	8	$16,125	$129,000	64	$18,500	$1,184,000	109	$21,216	$2,312,544	116	$25,897	$ 3,004,052	297	$22,322	$ 6,629,596
EWU	13	14,028	182,364	63	18,478	1,164,114	118	21,638	2,553,284	146	25,253	3,686,938	340	22,314	7,586,700
TESC	--	--	--	--	--	--	--	--	--	--	--	--	118	22,229	2,622,982
WWU	1	16,526	16,526	78	17,995	1,356,030	186	21,198	3,947,828	135	25,609	3,457,215	400	21,921	8,772,599
TOTAL	22	$14,904	$327,890	205	$18,069	$3,704,144	413	$21,378	$8,808,656	397	$25,562	$10,148,205	1,155	$22,173	$25,611,877

COMPUTATION OF ACADEMIC SALARY COMPARATIVE POSITION 1979-80

	CENTRAL			EASTERN			EVERGREEN			WESTERN		
	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product
Professor	116	$28,175	$3,268,300	146	$28,175	$4,113,550	--	--	--	135	$28,175	$3,803,6
Associate Professor	109	22,011	2,399,199	118	22,011	2,597,298	--	--	--	186	22,011	4,094,0
Assistant Professor	64	17,813	1,140,032	63	17,813	1,122,219	--	--	--	78	17,813	1,389,4
Instructor	8	14,010	112,080	13	14,010	182,130	--	--	--	1	14,010	14,0
Average at 7 State Rate	297	$23,298	$6,919,611	340	$23,574	$8,015,197	118	$22,770	$2,686,860	400	$23,722	$9,301,0
Actual Average		$22,322			$22,314			$22,229			$21,931	
Percentage of Increase to Equal 7 State Rate		4.4%			5.6%			2.4%			6.0%	

OCSCUP
3-25-80

TABLE G

SEVEN STATE SURVEY FOR FOUR-YEAR COLLEGES

9 - 10 MONTH BASIS

ACADEMIC SALARIES 1979-80

	INSTRUCTOR			ASSISTANT PROFESSOR			ASSOCIATE PROFESSOR			PROFESSOR			TOTAL		
STITUTIONS	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product	Number in Rank	Average Salary	Gross Product
California	102	$16,756	$1,709,122	650	$19,019	$12,362,470	1,132	$23,557	$26,666,484	2,265	$30,327	$68,690,321	4,149	$26,375	$109,428,397
Illinois	295	13,076	3,857,400	685	17,367	11,896,107	570	21,698	12,367,785	629	26,716	16,804,460	2,179	20,618	44,925,752
Indiana	158	12,243	1,934,320	419	16,639	6,971,819	386	20,840	8,044,305	554	25,941	14,371,484	1,517	20,647	31,321,928
Michigan	41	13,414	549,974	241	17,748	4,277,268	275	21,225	5,836,875	213	26,795	5,707,335	770	21,262	16,371,452
Minnesota	181	14,525	2,629,022	390	17,968	7,007,528	308	20,939	6,449,162	352	25,055	8,819,213	1,231	20,231	24,904,925
Oregon	26	14,192	368,992	88	17,290	1,521,520	168	20,529	3,448,872	169	25,389	4,290,741	451	21,353	9,630,125
Wisconsin	131	15,546	2,036,320	399	17,850	7,122,235	446	21,287	9,494,115	427	26,175	11,176,744	1,403	21,241	29,829,414
TOTAL	934	$14,010	$13,085,150	2,872	$17,813	$51,158,947	3,285	$22,011	$72,307,598	4,609	$28,175	$129,860,298	11,700	$22,770	$266,411,491
ASHINGTON															
CWU	8	$16,125	$129,000	64	$18,500	$1,184,000	109	$21,216	$2,312,544	116	$25,897	$ 3,004,052	297	$22,322	$ 6,629,596
EWU	13	14,028	182,364	63	18,478	1,164,114	118	21,638	2,553,284	146	25,253	3,686,938	340	22,314	7,586,700
TESC	1	13,790	13,790	17	16,973	288,575	58	21,695	1,258,310	42	25,293	1,062,306	118	22,229	2,622,981
WWU	1	16,526	16,526	78	17,383	1,356,030	186	21,198	3,942,828	135	25,609	3,457,215	400	21,931	8,772,599
TOTAL	23	$14,856	$341,680	221	$18,067	$3,992,719	472	$21,328	$10,066,966	438	$25,595	$11,210,511	1,154	$22,194	$25,611,876

A-21

COMPUTATION OF ACADEMIC SALARY COMPARATIVE POSITION 1979-80

	CENTRAL			EASTERN			EVERGREEN			WESTERN		
	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product	Number of FTE	Average Salary	Gross Product
Professor	116	$28,175	$3,268,300	146	$28,175	$4,113,550	42	$28,175	$1,183,350	135	$28,175	$3,803,625
Associate Professor	109	22,011	2,399,199	118	22,011	2,597,298	58	22,011	1,276,638	186	22,011	4,094,046
Assistant Professor	64	17,813	1,140,032	63	17,813	1,122,219	17	17,813	302,821	78	17,813	1,389,414
Instructor	8	14,010	112,080	13	14,010	182,130	1	14,010	14,010	1	14,010	14,010
Average at 7 State Rate	297	$23,298	$6,919,611	340	$23,574	$8,015,197	118	$23,522	$2,776,819	400	$23,252	$9,301,095
Actual Average		$22,322			$22,314			$22,229			$21,931	
Percentage of Increase to Equal 7 State Rate		4.4%			5.6%			5.9%			6.0%	

OCSCUP
2-26-80

TABLE H

Seven State Survey for Four-Year Colleges and Regional Universities
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
California	650	$19,019	$12,362,470	1,132	$23,557	$26,666,484	2,265	$30,327	$68,690,321	4,047	$26,617	$107,719,275
Illinois	685	17,367	11,896,107	570	21,698	12,367,785	629	26,716	16,804,460	1,884	21,798	41,068,352
Indiana	419	16,639	6,971,819	386	20,840	8,044,305	554	25,941	14,371,484	1,359	21,624	29,387,608
Michigan	241	17,748	4,277,268	275	21,225	5,836,875	213	26,795	5,707,335	729	21,703	15,821,478
Minnesota	390	17,968	7,007,528	308	20,939	6,449,162	352	25,055	8,819,213	1,050	21,215	22,275,903
Oregon	88	17,290	1,521,520	168	20,529	3,448,872	169	25,389	4,290,741	425	21,791	9,261,133
Wisconsin	399	17,850	7,122,235	446	21,287	9,494,115	427	26,175	11,176,744	1,272	21,850	27,793,094
TOTAL	2,872	$17,813	$51,158,947	3,285	$22,011	$72,307,598	4,609	$28,175	$129,860,298	10,766	$23,530	$253,326,843
WASHINGTON												
CWU	64	$18,500	$1,184,000	109	$21,216	$2,312,544	116	$25,897	$3,004,052	289	$22,493	$6,500,596
EWU	63	18,478	1,164,114	118	21,638	2,553,284	146	25,253	3,686,938	327	22,643	7,404,336
TESC	17	16,975	288,575	58	21,695	1,258,310	42	25,293	1,062,306	117	22,301	2,609,191
WWU	78	17,385	1,356,030	186	21,198	3,942,828	135	25,609	3,457,215	399	21,945	8,756,073
TOTAL	221	$18,067	$3,992,719	472	$21,328	$10,066,966	438	$25,595	$11,210,511	1,132	$22,323	$25,270,196

Computation of Academic Salary Comparative Position 1979-80

	CENTRAL Number in Rank	Average Salary	Gross Product	EASTERN Number in Rank	Average Salary	Gross Product	EVERGREEN Number in Rank	Average Salary	Gross Product	WESTERN Number in Rank	Average Salary	Gross Product
Professor	116	$28,175	$3,268,300	146	$28,175	$4,113,550	42	$28,175	$1,183,350	135	$28,175	$3,803,625
Asso. Prof.	109	22,011	2,399,199	118	22,011	2,597,298	58	22,011	1,276,638	186	22,011	4,094,046
Asst. Prof.	64	17,813	1,140,032	63	17,813	1,122,219	17	17,813	302,821	78	17,813	1,389,414
Ave. at Seven State Rate	289	$23,555	$6,807,531	327	$23,954	$7,833,067	117	$23,614	$2,762,809	399	$23,276	$9,287,085
Actual Ave.		$22,322			$22,314			$22,229			$21,931	
% of Inc. to Equal Seven State Rate		5.5%			7.3%			6.2%			6.1%	

TABLE I

Seven State Survey for Four-Year Colleges and Regional Universities
HEGIS Data
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
California	650	$19,016	$12,360,660	1,131	$23,553	$26,638,416	2,266	$30,322	$68,710,576	4,047	$26,615	$107,709,648
Illinois	681	17,468	11,895,511	571	21,736	12,411,309	634	26,778	16,977,152	1,886	21,890	41,283,952
Indiana	411	16,640	6,839,192	381	20,837	7,939,048	579	25,971	15,037,355	1,371	21,747	29,815,584
Michigan	241	17,748	4,277,184	275	21,225	5,836,902	213	26,795	5,707,266	729	21,703	15,821,352
Minnesota	339	18,066	6,124,298	292	21,125	6,168,500	346	25,256	8,738,438	977	21,526	21,031,232
Oregon	88	17,290	1,521,545	165	20,483	3,379,748	169	25,389	4,290,794	422	21,782	9,192,087
Wisconsin	382	18,065	6,900,942	444	21,315	9,464,035	429	26,176	11,229,560	1,255	21,988	27,594,512
TOTAL	2,792	$17,879	$49,919,280	3,259	$22,043	$71,837,920	4,636	$28,190	$130,691,104	10,687	$23,622	$252,448,304
WASHINGTON												
CWU	56	$18,525	$1,037,408	109	$21,209	$2,311,811	115	$25,870	$2,975,056	280	$22,587	$6,324,275
EWU	63	18,010	1,134,645	113	21,513	2,430,998	137	25,152	3,445,779	313	22,401	7,011,422
TESC	13	16,738	217,594	47	21,763	1,022,861	38	25,135	955,130	98	22,401	2,195,311
WWU	77	17,397	1,339,588	192	21,174	4,065,465	140	25,597	3,583,611	409	21,977	8,988,664
TOTAL	209	$17,843	$3,729,235	461	$21,326	$9,831,135	430	$25,487	$10,959,576	1,100	$22,291	$24,519,672

Computation of Academic Salary Comparative Position 1979-80

	CENTRAL Number in Rank	Average Salary	Gross Product	EASTERN Number in Rank	Average Salary	Gross Product	EVERGREEN Number in Rank	Average Salary	Gross Product	WESTERN Number in Rank	Average Salary	Gross Product
Professor	115	$28,190	$3,241,850	137	$28,190	$3,862,030	38	$28,190	$1,071,220	140	$28,190	$3,946,600
Asso. Prof.	109	22,043	2,402,687	113	22,043	2,490,859	47	22,043	1,036,021	192	22,043	4,232,256
Asst. Prof.	56	17,879	1,001,224	63	17,879	1,126,377	13	17,879	232,427	77	17,879	1,376,683
Ave. at Seven State Rate	280	$23,735	$6,645,761	313	$23,895	$7,479,266	98	$23,874	$2,339,668	409	$23,363	$9,555,539
Actual Ave.		$22,587			$22,401			$22,403			$21,977	
% of Inc. to Equal Seven State Rate		5.08%			6.67%			6.57%			6.31%	

TABLE J

Restructured Seven State Survey for Four-Year Colleges and Regional Universities
9 - 10 Month Basis
Academic Salaries 1979-80

INSTITUTIONS	ASSISTANT PROFESSOR Number in Rank	Average Salary	Gross Product	ASSOCIATE PROFESSOR Number in Rank	Average Salary	Gross Product	PROFESSOR Number in Rank	Average Salary	Gross Product	ALL RANKS Number in Rank	Average Salary	Gross Product
California	519	$19,094	$9,909,840	854	$23,459	$20,034,208	1,747	$30,289	$52,915,744	3,120	$26,558	$82,859,792
Illinois	681	17,468	11,895,511	571	21,736	12,411,309	634	26,778	16,977,152	1,886	21,890	41,283,952
Indiana	411	16,640	6,839,192	381	20,837	7,939,048	579	25,971	15,037,355	1,371	21,747	29,815,584
Michigan	381	18,181	6,926,857	478	21,414	10,235,968	417	26,621	11,100,917	1,276	22,150	28,263,728
Minnesota	339	18,066	6,124,298	292	21,125	6,168,500	346	25,256	8,738,438	977	21,526	21,031,232
Oregon	127	16,972	2,155,392	256	20,163	5,161,717	218	25,025	5,455,494	601	21,252	12,772,603
Wisconsin	382	18,065	6,900,942	444	21,315	9,464,035	429	26,176	11,229,560	1,255	21,988	27,594,512
TOTAL	2,840	$17,870	$50,751,984	3,276	$21,799	$71,414,752	4,370	$27,793	$121,454,624	10,486	$23,233	$243,621,360
WASHINGTON												
CWU	56	$18,525	$1,037,408	109	$21,209	$2,311,811	115	$25,870	$2,975,056	280	$22,587	$6,324,275
EWU	63	18,010	1,134,645	113	21,513	2,430,998	137	25,152	3,445,779	313	22,401	7,011,422
TESC	13	16,738	217,594	47	21,763	1,022,861	38	25,135	955,130	98	22,401	2,195,311
WWU	77	17,397	1,339,588	192	21,174	4,065,465	140	25,597	3,583,611	409	21,977	8,988,664
TOTAL	209	$17,843	$3,729,235	461	$21,326	$9,831,135	430	$25,487	$10,959,576	1,100	$22,291	$24,519,672

Computation of Academic Salary Comparative Position 1979-80

	CENTRAL Number in Rank	Average Salary	Gross Product	EASTERN Number in Rank	Average Salary	Gross Product	EVERGREEN Number in Rank	Average Salary	Gross Product	WESTERN Number in Rank	Average Salary	Gross Product
Professor	115	$27,793	$3,196,195	137	$27,793	$3,807,641	38	$27,793	$1,056,134	140	$27,793	$ 3,891,020
Asso. Prof.	109	21,799	2,376,091	113	21,799	2,463,287	47	21,799	1,024,553	192	21,799	4,185,408
Asst. Prof.	56	17,870	1,000,720	63	17,870	1,125,810	13	17,870	232,310	77	17,870	1,375,990
Ave. at Seven State Rate	280	$23,475	$6,573,006	313	$23,632	$7,396,738	98	$23,602	$2,312,997	409	$23,111	$ 9,452,418
Actual Ave.		$22,587			$22,401			$22,403			$21,977	
% of Inc. to Equal Seven State Rate		3.93%			5.50%			5.35%			5.16%	

Compensation Levels of Comparison Institutions

The legislative directive to the Council stated that "setting of salaries is obviously impacted by the benefits other than direct salaries and wages. This factor should be incorporated into the study."

In addition to analysis of salaries at comparison institutions, a review was made of state-funded fringe benefits and the resultant average compensation levels by rank at each comparison institution. This review was made on the total state contribution to retirement, medical/dental plans, guaranteed disability income protection, social security taxes, group life insurance, and workmen's compensation. It does not include unemployment compensation taxes paid on behalf of previous employees. Washington institutions are substantially below the rank averages of their comparison group in the state expenditure for fringe benefits as indicated by the following state summaries.

Average Fringe Benefits
for All Rank Faculty
9-10 Month Basis, 1979-80

	Research Universities	State Colleges and Regional Universities
California	$ 7,484	$ 7,038
Illinois	4,230	3,390
Indiana	5,355	4,325
Michigan	5,761	4,807
Minnesota	5,959	3,837
Oregon	5,944	5,215
Wisconsin	5,511	4,899
Total	$ 5,985	$ 5,097
University of Washington	$ 4,979* (-20.2%)	
Washington State University	$ 4,831* (-23.9%)	
Central Washington University		$ 4,599* (-10.8%)
Eastern Washington University		4,493* (-13.4%)
The Evergreen State College		4,569* (-11.6%)
Western Washington University		4,495* (-13.4%)

* Includes value of supplementation as discussed on the following pages.

Supplemental Retirement Program

During the review of compensation levels, the question was raised as to whether or not the value of the "supplement retirement program" had been included in the calculation of average compensation of Washington faculty members. Further research indicated that supplementation was not included in the summary of state funded fringe benefits reported in the HEGIS data base. The following is a brief discussion of this program and the calculation of its current value.

The supplemental retirement benefit (or "supplementation") is the difference between a fixed monthly benefit goal and the benefit provided by the Teacher's Insurance and Annuity Association, College Retirement Equities Fund (TIAA/CREF) - the retirement program used by higher education faculty members and many exempt staff. This benefit goal is defined in RCW 28B.10.400 as fifty percent of the average annual salary paid to such retired person for his/her highest two consecutive years of full-time employment at an institution of higher education after twenty-five years of service and retirement at age 65. Determination of the value of supplemental benefits is, therefore, sensitive to the changes in TIAA/CREF benefits.

At the request of the Council of Presidents of the four-year institutions, Milliman and Robertson, Inc., Consulting Actuaries, made an actuarial valuation of the Washington Supplemental Retirement Program as of October 31, 1976. As stated by Mr. Thomas P. Bleakney, Consulting Actuary, in his transmittal letter to Mr. Carr dated March 13, 1978:

> "The actuarial assumptions used in the valuation are, in my opinion, the best estimate of anticipated experience of the program. The assumptions actually used in the valuation are

reasonably related to the experience of the program, but the amount of data available to measure that experience is limited. The emerging costs of the program will vary from those presented in this report to the extent actual experience differs from that projected by the actuarial assumptions."

The summary finding of that evaluation based on 1976 information was the projection that the contribution rate needed to amortize the unfunded supplemental present value as a percentage of compensation over a period of forty years would be 1.75 percent. This projection was based on an assumption of a funding method (to amortize the unfunded supplemental) as of October, 1976. While the actual payout of supplemental benefits for 1979-80 was slightly higher than that projected by the Milliman and Robertson report, $2,848,776 compared to an estimate of $2,689,000, the 1.75 percent is the only actuarial estimate of the current equivalent value of supplementation.

While Washington is unique in its statutory commitment to provide supplementation to TIAA/CREF benefits, the issue is whether or not the current contribution rate (as reported in HEGIS) is considered sufficient to produce the stated guaranteed benefits of programs in the comparison states, and if not, what additional percentage rate is necessary to produce the stated benefits.

An extensive telephone inquiry on this subject was conducted, and the information was obtained either by state or by systems within a state where system differences exist. As the following state summaries indicate, there is no adjustment to be made to comparative state compensation levels since the HEGIS data base used in the analysis accurately reflect the total employer commitments of each state.

The HEGIS data for Washington institutions do not include the actuarily defined 1.75 percent supplementation guaranteed by statute and therefore average compensation levels should be increased to reflect this additional commitment.

CALIFORNIA

University of California

This system is very young with a very small unfunded liability. In July, 1977, the employer contribution was increased from 12.4 percent to 14.9 percent (2.5 percent increase) to amortize the actuarially defined unfunded liability.

State College and University System

The employer's contribution of 19 to 20 percent (adjusted annually) is financially stable. Persons employed as of January, 1962 could elect to coordinate benefits with social security or remain in the state system only. Those who are not coordinated with social security pay a higher contribution rate than those who are.

ILLINOIS

State University Retirement System requires an employee contribution of 8.0 percent. Employer contribution, obligated by state law, requires an annual appropriation which fluctuates according to actuarial defined needs. For the current year, state contribution should have been 12.66 percent of salaries, however, the actual appropriation was only for the gross payout with virtually no funding for future liability. Appropriations for funding gross payouts only have been made for several years.

HEGIS reports for all Illinois institutions report the value of the contribution rate needed (12.66 percent) and do not report the gross payout appropriation. Illinois institution HEGIS reports may reflect different percentages in fringe benefit categories according to how the benefit package is designed to use the 12.66 percent.

INDIANA

Indiana institutions each have the opportunity to participate in several plans (TIAA/CREF, TRF, PERF) at their own discretion so no single plan is applicable to all. Faculty predominantly belong to TIAA/CREF. There is no state commitment beyond the benefits of this program.

MICHIGAN

Faculty may participate in Public School Employees Retirement System (same as state civil service) and have the option of TIAA/CREF. THE PSE plan is well funded, and no supplementation to TIAA/CREF is available.

The current court dispute over unisex benefits has a potential for unfunded liability, however, some institutions are accruing those monies now awaiting court decisions. There was a period when there was an unfunded liability and for a time institutions were assessed an additional amount (1.2 percent, later reduced to .7 percent, and now erased) to correct the situation.

Michigan HEGIS reports include all employer contributions and no other commitment exists.

MINNESOTA

University of Minnesota

Faculty retirement is covered by TIAA/CREF and two local underwriters. Faculty in the plan before 1963 have a quaranteed supplement that is very small (from a few dollars to a couple hundred dollars a year) and covering few (250 or less) faculty with numbers declining annually. The program

doesn't have any significant unfunded liability and any supplementation that might not have been included in HEGIS is very insignificant. Contribution rates are:

Employee	Employer
2.5% gross	2.5% gross up to $5,000
	13.0% gross in excess of $5,000

State University System

Minnesota Teachers Retirement Association has a supplemental program fully funded and included in calculations.

Employee	Employer
4.5% gross	4.5% gross
+ $450.00 maximum on salary between $5,000 - $15,000	+ 3.05 + $450.00 match on supplement

If continued at the same rate of salary increases and increased longevity, there may be a problem in 20-25 years and the contribution rate may need adjustments from time to time.

OREGON

Oregon Public Employees Retirement System has been studied by two actuaries with no consensus reached as to the existence of unfunded liability. In July, 1979, the employers contribution rate was increased from 8.5 percent to 10.25 percent to make up any assumed unfunded liability that might exist. Additionally, the employer pays the 6.0 percent employee contribution.

WISCONSIN

Employee contribution to the state retirement system is 1.0 percent. An additional 4.0 percent employee contribution is now being paid by the employer and is vested to the employee immediately. The employer contribution was 6.7 percent in 1979-80; 6.6 percent in 1980-81 - the contribution rate changing every year as needed to maintain an actuarily sound benefit goal. The 6.7 percent contribution does not vest to the employee until age 55.

TABLES K and L on the following pages are detailed calculations of the compensation gap at each Washington institution for the restructured seven state salary surveys shown in TABLES D and J and includes the value of the supplementation as determined by Milliman and Robertson, Inc. in the October 31, 1976 report. The results of these analyses have been used in the development of the Council's recommendations for the 1981-83 salary increases.

TABLE K

Restructured Seven State Survey for Four-Year Research Universities
9 - 10 Month Basis
Academic Compensation 1979-80

	ASSISTANT PROFESSOR				ASSOCIATE PROFESSOR				PROFESSOR				ALL RANKS			
	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.
California	551	$19,351	$5,210	$24,561	650	$23,557	$6,151	$29,708	1,728	$34,988	$8,710	$43,698	2,929	$29,510	$7,484	$36,994
Illinois	361	19,292	3,179	22,471	460	22,868	3,655	26,523	769	33,468	5,061	38,529	1,590	27,183	4,230	31,413
Indiana	266	17,873	4,089	21,962	321	21,831	4,965	26,796	497	29,347	6,285	35,632	1,084	24,306	5,355	29,661
Michigan	305	18,758	4,409	23,167	287	23,739	5,307	29,046	751	33,239	6,483	39,722	1,343	27,920	5,761	33,681
Minnesota	265	18,012	4,546	22,558	321	22,634	5,502	28,136	567	31,749	6,879	38,628	1,153	26,054	5,959	32,013
Oregon	158	17,193	4,640	21,833	162	21,131	5,539	26,670	280	28,440	6,914	35,354	600	23,505	5,944	29,449
Wisconsin	252	18,687	4,313	23,000	208	22,173	4,931	27,104	734	30,724	6,087	36,811	1,194	26,694	5,511	32,205
TOTAL	2,158	$18,675	$4,390	$23,065	2,409	$22,812	$5,183	$27,995	5,326	$32,719	$6,992	$39,711	9,893	$27,243	$5,985	$33,228
WASHINGTON																
UW	293	$18,009	$3,803	$21,812	351	$22,387	$4,642	$27,029	579	$31,265	$5,778	$37,043	1,223	$25,541	$4,979	$30,520
WSU	193	18,867	4,418	23,285	191	22,096	4,563	26,659	218	28,816	5,431	34,247	602	23,494	4,831	28,325
TOTAL	486	$18,350	$4,047	$22,397	542	$22,285	$4,614	$26,899	797	$30,595	$5,663	$36,278	1,825	$24,866	$4,930	$29,796

Computation of Academic Compensation Position 1979-80

	UNIVERSITY OF WASHINGTON			WASHINGTON STATE UNIVERSITY		
	Number in Rank	Average Comp.	Gross Product	Number in Rank	Average Comp.	Gross Product
Professor	579	$39,711	$22,992,669	218	$39,711	$ 8,656,998
Associate Professor	351	27,995	9,826,245	191	27,995	5,347,045
Assistant Professor	293	23,065	6,758,045	193	23,065	4,451,545
Average at Seven State Rate	1,223	$32,361	$39,576,959	602	$30,657	$18,455,588
Actual Average		$30,520			$28,325	
Percentage of Increase to Equal Seven State Rate		6.03%			8.23%	

TABLE L

Restructured Seven State Survey for Four-Year Colleges and Regional Universities
9 - 10 Month Basis
Academic Compensation 1979-80

	ASSISTANT PROFESSOR				ASSOCIATE PROFESSOR				PROFESSOR				ALL RANKS			
	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.	Number	Salary	Fringe	Comp.
California*	519	$19,094	$5,570	$24,664	854	$23,459	$6,660	$30,119	1,747	$30,289	$7,755	$38,044	3,120	$26,558	$7,038	$33,596
Illinois	681	17,468	2,820	20,288	571	21,736	3,369	25,105	634	26,778	4,020	30,798	1,886	21,390	3,390	25,280
Indiana	411	16,640	3,282	19,922	381	20,837	4,302	25,139	579	25,971	5,080	31,051	1,371	21,747	4,325	26,072
Michigan	381	18,181	3,916	22,097	478	21,414	4,672	26,086	417	26,621	5,775	32,396	1,276	22,150	4,807	26,957
Minnesota	339	18,066	3,390	21,456	292	21,125	3,921	25,046	346	25,256	4,206	29,462	977	21,526	3,837	25,363
Oregon	127	16,972	4,592	21,564	256	20,163	4,589	24,752	218	25,025	6,314	31,339	601	21,252	5,215	26,467
Wisconsin	382	18,065	4,240	22,305	444	21,315	4,825	26,140	429	26,176	5,562	31,738	1,255	21,983	4,699	26,882
TOTAL	2,840	$17,870	$3,875	$21,745	3,276	$21,799	$4,867	$26,666	4,370	$27,793	$6,102	$33,895	10,486	$23,233	$5,097	$28,330
WASHINGTON																
CWU	56	$18,525	$3,595	$22,120	109	$21,209	$4,471	$25,680	115	$25,870	$5,210	$31,080	280	$22,587	$4,599	$27,186
EWU	63	18,010	3,885	21,895	113	21,513	4,423	25,936	137	25,152	4,829	29,981	313	22,401	4,493	26,894
TESC**	13	16,738	--	--	47	21,763	--	--	38	25,135	--	--	98	22,401	4,569	26,970
WWU	77	17,397	3,453	20,850	192	21,174	4,483	25,657	140	25,597	5,085	30,682	409	21,977	4,495	26,472
TOTAL	209	$17,843	$3,632	$21,475	461	$21,326	$4,464	$25,790	430	$25,487	$5,032	$30,519	1,100	$22,291	$4,527	$26,818

Computation of Academic Compensation Position 1979-80

	CENTRAL			EASTERN			EVERGREEN			WESTERN		
	Number in Rank	Average Comp.	Gross Product	Number in Rank	Average Comp.	Gross Product	Number in Rank	Average Comp.	Gross Product	Number in Rank	Average Comp.	Gross Product
Professor	115	$33,895	$3,897,925	137	$33,895	$4,643,615	38	$33,895	$1,288,010	140	$33,895	$4,745,300
Asso. Prof.	109	26,666	2,906,594	113	26,666	3,013,258	47	26,666	1,253,302	192	26,666	5,119,872
Asst. Prof.	56	21,745	1,217,720	63	21,745	1,369,935	13	21,745	282,685	77	21,745	1,674,365
Ave. at Seven State Rate	280	$28,651	$8,022,239	313	$28,840	$9,026,808	98	$28,816	$2,823,997	409	$28,214	$11,539,537
Actual Ave.		$27,186			$26,894			$26,970			$26,472	
% of Inc. to Equal Seven State Rate		5.39%			7.24%			6.84%			6.58%	

* California State University - Fresno not available, calculated at system average.
** Fringe benefit information not available for TESC on rank shadow system.

APPENDIX B

FACULTY SALARY ADMINISTRATION PLAN:

The Concept, Structure and System

BACKGROUND

There is substantial diversity among Washington's four-year institutions. Each institution has undergone dramatic changes over time to emerge as one of six unique entities with differing roles and program mixes.

In addition to their undergraduate programs, the state's two doctoral universities place particular emphasis on graduate and professional education. The University of Washington, as the eighth largest American University on a single campus, offers graduate education in virtually every major discipline except agriculture and veterinary medicine. In addition to agriculture and veterinary medicine, Washington State University, created as a land grant institution, offers degree specializations in most major discipline areas except those exclusive to the University of Washington (law, medicine, dentistry, fisheries).

The three regional universities, originally created as normal schools, shared similar beginnings and have matured through similar evolutionary paths. They nevertheless possess individual strengths and diversities which have been encouraged both to meet the specific educational needs of the state's regional populations and to minimize the potential for costly duplicative efforts. The institutions offer a range of master's degree programs but place major emphasis on comprehensive undergraduate education.

The Evergreen State College, Washington's youngest four-year institution, is a liberal arts college with emphasis on discipline

integration. Enrollment in the first masters program will begin in fall, 1980.

This institutional diversity is equally reflected in the diversity of the faculties. Their major responsibilities and degrees of specialization cover a wide range. This diversity presents some difficulties with regard to the development of a proposed statewide faculty salary policy.

Procedure and Process

The Council staff consulted extensively with both the faculties and administrations of Washington's four-year institutions in the development of this salary administration plan. Working through the appropriate faculty organization at each institution, campus visits were made to insure maximum opportunity for faculty members, as well as administrative staff members, to speak to the issues and principles and to informally express their individual or collective concerns and ideas. Although Washington faculties have long been discussing the issue of salary plans, the staff visits served as a focal point for such discussion among faculty members and administrators alike. Council staff members also attended three Council of Faculty Representatives (CFR) meetings and had the benefit of interinstitutional faculty discussions.

Extensive consultative involvement was further encouraged through opportunities for responses to discussion documents as they were prepared. Through meeting with the Council of Presidents, Academic and Business Officers, Council of Faculty Representatives, and the Faculty Advisory Committee, and again visiting with faculty and administrators at each

institution, the staff sought to insure that the process be openly communicated and based on consideration of the views of all interested persons.

As part of the general review of faculty salary schedules, the Council staff asked all State Higher Education Executive Officers to provide any schedules presently used or under consideration for public four-year colleges or universities.

Twenty-four state agencies indicated no schedules in development or operation, and fifteen agencies submitted some form of schedule employed by one or more institutions in their states.

Schedules received each related to a single institution or to a system under the governance of one board. In none of the responding states did there exist schedules intended to serve multiple institutions with autonomous governing boards. The various schedules contained substantial similarities with respect to the setting of some minimum and maximum salary levels by rank, a generally routine method of progressing through the schedule, and a variable component for merit either stated as specific dollar awards for promotion or the establishment of a merit pool as a percentage (usually 1 to 3 percent of total salaries) to be used at administrative discretion.

Whether incremental increases were established as a constant dollar per step, a constant percent of the previous step or a combination of both, the similarity was in the fact that annual one step increases were virtually automatic in many systems. Substantial differences did exist

in the number of steps provided for each rank (ranging from 8 to 20) and in the provisions for salary adjustments for faculty members who had attained rank ceilings.

Particular attention was paid to the salary plans of both the University of California System and the California State College and University System since California salary levels have had significant influence in the salary considerations for Washington faculties. In the seven state survey, approximately 40 percent of the salaries are composed of faculty at California institutions.

ISSUES

The development of a comprehensive plan for the administration of faculty salaries in Washington four-year public colleges and universities must be viewed in the context of state educational services and the allocation decisions affecting those services.

-- An issue is the appropriation to the various Washington education sectors in support of salaries and wages. Education is a labor intensive enterprise that dedicates the greater portion of its operating budget to the salaries, wages and fringe benefits of its employees. Most comparative data presented on salaries of faculty members at the four-year institutions refer to the average salaries and annual increases of both the K-12 and community college faculties. During the decade of the 1970's the economic impact of inflation was a major issue in every segment of the work force. The effects of inflation were discussed repeatedly in relation to

the salaries of Washington teachers and faculties. During the period from 1967-68 through 1979-80 when the consumer price index rose 125.5 percent, there were divergent salary increases for Washington educators. During this period, the average salary for secondary education teachers rose 137.3 percent while in postsecondary institutions, aggregate average salary increases were 117.8 percent in the case of the community college system; 112.9 percent in the regional institutions; and 97 percent in the doctoral universities. Much of the difference in aggregate increases between the regional and doctoral universities during this period can be attributed to the reduction in force of lower ranked faculty during the early 70's.

-- An issue is the distribution of state funding for salaries among Washington four-year institutions. Previous Council for Postsecondary Education reports on the status of faculty salaries have spoken to the differing average salaries among institutions. In 1977, the Council recommended to the Legislature that those differences be addressed through appropriation of adjusting percentage increases to institutions. The Legislature appropriated differing increases in the 1977-79 biennium. Generally, however, a like percentage increase has been appropriated to all institutions.

-- An issue is the differing systems employed by the individual institutions in application of the salary funding that has been appropriated. While there have been various plans developed at several institutions, and some currently are recognized as "in place", they have been

virtually inoperable since they have not been recognized as an intregal part of the state's overall funding mechanism for the four-year institutions. Although part of the most recent appropriation (1979) was used to provide incremental increases at some institutions for the current academic year, schedules at institutions differ substantially as to minimum and maximum levels, as well as incremental advancement.

REASONS FOR SALARY ADMINISTRATION PLAN

The principles of a salary administration plan must, of necessity, create a balance among the competing needs of its affected publics. To set forth such purposes requires a discussion of the consensus of the parties involved.

Faculty

Our society embraces the concept of productivity or performance with commensurate monetary reward in all areas of employment. While employment in the public and private sectors will be affected by differing salary issues and policies, both sectors generally adhere to some stable plan which is adequately communicated to employees. Many faculty members express concern that there do not exist communicated salary policies and plans by which they can view their career expectations and the monetary result of meeting or exceeding institutional expectations. Further, without such policies and plans, they feel that salary increases will continue to lag behind those sectors of education that do have salary plans.

Administration

If faculty members may be seen as the party calling for consistency, the administrative view is more appropriately seen as a call for continued flexibility. Institutional autonomy, the right to manage the resources of the institution with a minimum of outside intervention, the flexibility to acknowledge monetarily those faculty members who have been of greatest service to furthering the goals of the institution, and the ability to commit resources to strengthen specific departments, schools or colleges, all are considered of paramount importance.

The areas of agreement, however, are many. The greatest area of commonality is the concern for adequate funding in support of faculty salaries. Without funding, the principles of salary administration plans remain discussion documents with no implementation possible. For Washington public institutions, however, funding levels presently are not the prerogative of the institutions, but rather are a matter of legislative decision.

Fundamentally, the faculty and the administration may be viewed as having partly competing but essentially complementary interests regarding salary administration.

Governor and Legislature

The Governor's Office and the Legislature also are interested in consistency and seek an appropriate mechanism or approach to the policy questions of faculty compensation. The legislative process allows for input

from many sources and considers a variety of data made available in support of any particular level of needed funding. While increasing cost of living, average salaries of comparable institutions (e.g., seven state survey) and prior year unfunded adjustments are all valuable input to executive and legislative considerations of relative position they do not address any internally established salary administration plan. The issues remain clouded for lack of a well defined, systematic approach. The Governor and the Legislature are also cognizant of the need for flexibility and the opportunity for institutions to encourage and reward meritorious performance.

Council for Postsecondary Education

The Council for Postsecondary Education has consistently supported efforts to insure adequate funding for faculty salaries. Annually, extensive analyses of average salaries are made relative to the Consumer Price Index and recognized comparative institutions. The 1976 Council for Postsecondary Education recommendations further addressed the issue of salary relationships among institutions. The development of a rational plan on which to base salary decisions would likewise facilitate communication of salary considerations in an understandable and defensible way.

PRINCIPLES

There is no doubt that there have been substantial efforts in the development of one or more salary administration plans within the Washington

higher education community for several years. Various faculty organizations, both formal and informal, have discussed and debated the issues and have worked to develop model plans. Institutional administrators frequently have been involved in the deliberations of their faculties and have either together or individually brought forth various policy and position statements.

Faculty members from different institutions voice similar concerns and, in general, agree on the principles and components of a rational plan for the administration of salaries. This is not to imply that there are no differences among faculty members concerning the relative importance or priority of the components of a plan. Individual and institutional opinions do differ as to the shape and scope of any model schedule that has been reviewed. Nevertheless, extensive consultations have suggested widespread concurrence on essential principles.

The Council of Presidents and the Council of Faculty Representatives each submitted proposals for consideration in the development of a salary administration plan.

The Council of Presidents

The Council of Presidents endorsed the principles of a salary administration plan that has as its major characteristics the following features:

"1. It permits the establishment of the market value for a faculty member's services and provides a method for adjustment to changes in this value.

2. It provides for identifying a component of salary increase necessary to accommodate changes in the 'cost of living.'

3. It places a quantitative value on the increasing worth of professional services as related to the professional growth and experience of the faculty member.
4. It permits the institution the opportunity to reward meritorious service, as well as the freedom to offer lower salaries for lower rated performance.
5. It allows the university to place differential salary levels on faculty positions in relation to the individual priorities and needs of the institution."[1]

The essence of the COP proposal is that the principles should be furthered by providing adequate funding as a percentage of each institution's average salaries and that institutional discretion in the distribution of funds should be maximized and unencumbered by a rigid schedule.

The Council of Faculty Representatives

The Council of Faculty Representatives offered the following statement of goals and objectives of a salary policy:

"1. A salary policy must recognize the professional growth of individual faculty.
2. Faculty performance in teaching, scholarly activity and other professional activities varies among individuals and at different periods within an individual's career. Recognition

---

[1]Letter from Glenn Terrell, representing the Council of Presidents, to C. Gail Norris, Executive Coordinator, Council for Postsecondary Education, February 6, 1980.

for specially meritorious performance should be a part of a salary policy.

3. A salary policy should provide for an orderly adjustment in response to changes in the cost of living. Such adjustments must be independent of any increases earned from professional growth or award of merit.

4. Changing circumstances, such as altered societal needs, revised cultural and scientific conditions, or modified institutional goals may elevate or lower demand for particular disciplines or subdisciplinary specializations. The availability of quality faculty within a discipline is therefore subject to changes in the academic or professional marketplace. In order to maintain quality programs, recognition of these market factors must be part of the salary policy.

5. In establishing a salary scale, it must be recognized that Washington institutions compete nationally for quality faculty and that our salary schedule must be competitive with comparable institutions."[2]

The Council of Faculty Representatives' proposal reflects faculty concerns for consistent salary funding and well communicated policies and plans.

---

[2]Based on the Council of Faculty Representatives' "A Proposal for a Faculty Salary Policy for State Colleges and Universities", January 19, 1980.

DEVELOPMENT OF A PLAN

All research conducted as a part of the study indicated a need for a salary administration plan to systematically integrate considerations of cost of living, professional development, meritorious service and market adjustments in such a way as to provide a reasonable level of career expectation to the faculty, a reasonable degree of flexibility to the administration, and a fiscally responsible set of budget considerations to the Legislature.

The following proposed framework (Exhibit A and B) is an integrated approach dependent on the interrelationships of its component parts. It is a composite approach which should be reviewed in its entirety as opposed to a selection and prioritization of its components. This proposal addresses only professorial rank faculty on academic year appointments.

Traditional Rank

The question of including considerations of traditional rank in a salary plan through the establishment of floors and ceilings by rank is an issue of strong concern by faculty and administrators alike.

From the administrative perspective, the establishment of such ranges would inhibit the degree of discretion that administrators would seek to maintain. To set such parameters would remove their current ability to provide an unlimited range of salaries to faculties irrespective of rank (although current salary patterns indicate the existence of institutionally established parameters) and would impose limitations on their flexibility.

Exhibit A

1981-82
Research Universities

(A) Level	(B) Percent Increase	(C) Dollar Value	(D) Minimum Schedule	(E) Rank Ranges	(F) Market/Merit Factor	(G) Funding Schedule
50			$ 16,530		+ 1.00%	$ 16,695
51	3.2%	529	17,059		1.25	17,272
52	3.2	546	17,605		1.50	17,869
53	3.2	563	18,168		1.75	18,486
54	3.1	563	18,731		2.00	19,105
55	3.1	581	19,312		2.25	19,729
56	3.1	599	19,911		2.50	20,409
57	3.1	617	20,528		2.75	21,093
58	3.0	616	21,144		3.00	21,778
					Mean/Median	22,309
59	3.0	634	21,778		3.25	22,486
60	3.0	653	22,431		3.50	23,216
61	3.0	673	23,104		3.75	23,970
62	3.0	693	23,797		4.00	24,749
63	2.9	690	24,487		4.25	25,528
64	2.9	710	25,197		4.50	26,331
65	2.9	731	25,928		4.75	27,160
					Mean/Median	27,251
66	2.9	752	26,680		5.00	28,014
67	2.9	774	27,454		5.25	28,895
68	2.9	796	28,250		5.50	29,804
69	2.8	791	29,041		5.75	30,711
70	2.8	813	29,854		6.00	31,645
71	2.8	836	30,690		6.25	32,608
72	2.8	859	31,549		6.50	33,600
73	2.8	883	32,432		6.75	34,621
74	2.8	908	33,340		7.00	35,674
75	2.8	934	34,274		7.25	36,759
76	2.7	925	35,199		7.50	37,839
77	2.7	950	36,149		7.75	38,951
					Mean/Median	39,086
78	2.7	976	37,125		8.00	40,095
79	2.7	1,002	38,127		8.25	41,272
80	2.7	1,029	39,156		8.50	42,484
81	2.7	1,057	40,213		8.75	43,732
82	2.7	1,086	41,299		9.00	45,016
83	2.7	1,115	42,414		9.25	46,337
84	2.6	1,103	43,517		9.50	47,651
85	2.6	1,131	44,648		9.75	49,001
86	2.6	1,161	45,809		10.00	50,390
87	2.6	1,191	47,000		10.25	51,818
88	2.6	1,222	48,222		10.50	53,285
89	2.6	1,254	49,476		10.75	54,795
90	2.6	1,286	50,762		11.00	56,346

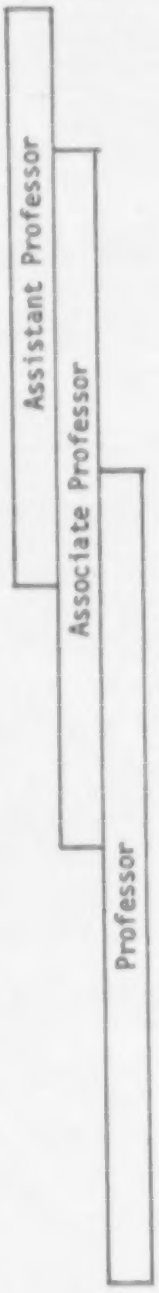


Exhibit B

1981-82
State Colleges and Regional Universities

(A) Level	(B) Percent Increase	(C) Dollar Value	(D) Minimum Schedule	(E) Rank Ranges	(F) Market/Merit Factor	(G) Funding Schedule
50			$ 16,530	Assistant Professor	+ 1.00%	$ 16,695
51	3.2%	529	17,059		1.25	17,272
52	3.2	546	17,605		1.50	17,869
53	3.2	563	18,168		1.75	18,486
54	3.1	563	18,731		2.00	19,105
55	3.1	581	19,312		2.25	19,729
56	3.1	599	19,911		2.50	20,409
57	3.1	617	20,528		2.75	21,093
					Mean/Median	21,367
58	3.0	616	21,144		3.00	21,778
59	3.0	634	21,778		3.25	22,486
60	3.0	653	22,431		3.50	23,216
61	3.0	673	23,104		3.75	23,970
62	3.0	693	23,797	Associate Professor	4.00	24,749
63	2.9	690	24,487		4.25	25,528
					Mean/Median	26,065
64	2.9	710	25,197		4.50	26,331
65	2.9	731	25,928		4.75	27,160
66	2.9	752	26,680		5.00	28,014
67	2.9	774	27,454		5.25	28,895
68	2.9	796	28,250		5.50	29,804
69	2.8	791	29,041		5.75	30,711
70	2.8	813	29,854		6.00	31,645
71	2.8	836	30,690		6.25	32,608
					Mean/Median	33,232
72	2.8	859	31,549	Professor	6.50	33,600
73	2.8	883	32,432		6.75	34,621
74	2.8	908	33,340		7.00	35,674
75	2.8	934	34,274		7.25	36,759
76	2.7	925	35,199		7.50	37,839
77	2.7	950	36,149		7.75	38,951
78	2.7	976	37,125		8.00	40,095
79	2.7	1,002	38,127		8.25	41,272
80	2.7	1,029	39,156		8.50	42,484

From a faculty perspective, the establishment of such ranges with inadequate ceilings could serve to compress the salaries of current faculty. The faculties of Washington institutions are heavily composed of senior faculty members as a result of significant increases in faculty size in response to the enrollment increases of the 1960's. It was also during this period that the supply of potential faculty members increased, again in response to the current job market. With the national outlook for enrollment stability and potential decline in the 1980's, faculty supply has again become greater than demand in some disciplines. The result has been a national trend of less opportunity for mobility and a predominance of senior faculty members at many institutions. This faculty composition is certainly not unique to the State of Washington. The phenomenon is most apparent at the rank of Associate Professor, where there appears to be greater clustering at the upper salaries of the rank. A plan for faculty compensation must maintain adequate salary levels in spite of temporary fluctuations of the general academic market place. To do less would be both unjust and counterproductive to quality education for the citizens of Washington.

To develop a salary plan which by design offers perpetual salary increases for professional growth to those who do not wish to seek promotion or have not achieved promotion would be fiscally irresponsible and inconsistent with the concepts of merit. Clearly a system that offers similar salary progression to those who are and are not promoted would tend to dilute the incentive for career advancement. The inclusion of rank

parameters in no way precludes the awarding of salary increases for market and merit considerations and the receipt of salary adjustments in response to cost of living increases under the plan illustrated in Exhibits A and B.

Example minimum salary ranges as shown in Column E of the Exhibits are as follows:

Doctoral Universities

Assistant Professor	$16,530 - $27,454	(18 Steps)
Associate Professor	$19,312 - $35,199	(22 Steps)
Professor	$25,298 - $50,762	(26 Steps)

Regional Universities and The Evergreen State College

Assistant Professor	$16,530 - $25,928	(16 Steps)
Associate Professor	$19,312 - $31,549	(18 Steps)
Professor	$24,487 - $39,156	(18 Steps)

These ranges are indicative of the Council staff review of the current general relationship of salary patterns among the institutions. The more diversified role and mission of the doctoral universities is reflected in a wider distribution of salaries at each of the professorial ranks than is the practice at the regional institutions. Elongated ranges as shown in Exhibit A acknowledging the role and mission of the doctoral universities, with respect to greater diversity and specialization, are basic to the proposed salary plan.

Cost of Living Adjustments

The salary plan would provide a means by which cost-of-living adjustments would be assimilated into the system in an equitable manner. Adjustments in response to inflation usually are viewed as an "across the board"

percentage increase by which any internal structure is affected proportionately and are to be independent of any salary considerations for professional growth, market conditions, or meritorious service. Once a "minimum schedule" was established, cost of living percentage adjustments as appropriate would bring forward the entire schedule (Column D) in an effort to maintain constant dollar purchasing power. Such adjustments should, by definition, fluctuate relative to economic pressures experienced. Since the purpose of these adjustments is to retain relative purchasing power, this component is not viewed as a "salary increase" but rather as salary maintenance.

Professional Growth

Salary increases to acknowledge satisfactory professional growth would be provided in an amount equal to one step on the minimum schedule (Column D) for all continuing faculty members who have not reached the maximum salary for their rank. Progression through this example plan is conditioned on slightly declining percentage increases which would nevertheless result in gradually increasing dollar increments. Incremental increases begin at 3.2 percent and gradually decline to 2.6 percent (Column B).

In the development of any plan, long range career implications need to be considered. Frequently discussed parameters center on the number of years representing a reasonable career length (usually stated as 25 or 30) and the relationship between beginning and ending salaries during that time, stated in constant dollars. Whether that relationship is structured as 2.0,

2.25, or 2.5 is an issue. Clearly the funding of a structure is heavily dependent on the selection of these parameters. Over a 30 year time frame, a 2.0 relationship would be maintained through an average annual increment funding of approximately 2.5 percent. The 2.25 or 2.5 relationships would require a maintenance level of approximately 2.8 and 3.1 percent respectively. Design decisions of this nature must be viewed in the context of an entire salary administration plan. Decisions would differ dependent upon whether salary increases are based solely or partially on the component of satisfactory professional growth.

Incremental increases are most commonly expressed in terms of "annual step" increases. This "annual step" concept gives rise to the "lock step" implication that irrespective of professional growth - or the lack of it - an employee will be awarded his or her "annual step" by virtue of maintaining employment. This concept of automatic movement does not necessarily reflect the realities of professional growth. It is defensible to state that in the main, a faculty member's professional growth and experience in any one year will result in a more valuable resource to the institution and this increased value should be recognized.

Nothing in the design of this draft proposal is to be construed as guaranteeing automatic annual increases as a condition of continued employment. Quite clearly, the majority of the faculty members can be expected to meet the professional expectations of their institution each year. It would be within the prerogative of the institution to

acknowledge unsatisfactory performance by withholding incremental increases overall, or even reducing the step level in rare cases according to established policies and procedures.

Assumed in the professional growth concept is full flexibility for rank promotion. Such promotions also may be accompanied by the awarding of multiple step increases. Policies and criteria for promotion which both recognize the accomplishments of the faculty member and further the goals and objectives of the institution should be fully communicated.

Funding of positions "opened" by retirement or departure would be used to hire replacement faculty members as well as to offset the costs of promotions and incremental increases.

Market and Merit Considerations

In order to maintain quality programs, flexibility for recognition of market conditions should be a part of a salary plan subject to institutional discretion. Similarly, if institutions are to encourage continued and increasing excellence of faculty performance, the opportunities to recognize special meritorious service must also exist. The plan provides both a minimum schedule and a funding schedule (Column G), the difference being the discretionary funding allowance for market and merit considerations. For budgeting purposes, the funding schedule reflects actual salary averages on which aggregate increments should be costed.

Institutional ability to compete in an established market place for fully-qualified faculty members must be maintained. Institutions are also

subject to specific market conditions, most noticeably in those fields which provide services outside of higher education, escalating the demand for professionals in that field. If institutions are to provide strong programs to meet the societal needs for such professionals, they must compete for their faculties with other employment opportunities. Disciplines in which market considerations influence the recruitment and retention of faculty may be factored so as to recognize current practices and to facilitate normal career progress of these faculty. Provisions for dealing with market conditions are not limited to the question of recruitment, but should also address the salaries of existing faculties relative to the market changes that have occurred since their employment.

Faculty performance in teaching, scholarly activities and other professional duties varies among institutions and at different periods within an individual's career. Basic to a higher education system of professional ranks, merit is recognized by rank promotion. Additionally, meritorious service can and does occur at times when rank promotion is not the appropriate recognition. A salary plan should not only recognize faculty professional growth and meritorious service by encouraging progression through the professorial ranks but should also recognize meritorious service beyond opportunities of rank promotion.

Special merit consideration should be subject to periodic review, with opportunities for awards that would clearly differentiate performance and service from one year to the next. The rationale for inclusion of a strong merit component in the salary plan is to provide immediate reward for exceptional service and to encourage continued excellence. The strength

of a special merit program will lie in the communication of institutional expectations, as well as an understanding by the faculty that the opportunity for special merit awards does exist within the framework of published institutional policies and procedures.

Through establishment of a funding level separate from the minimum schedule, institutions are provided the discretion to respond to both market and merit considerations without disrupting the stability achieved by a base plan.

Column G of the exhibits displays an example of a funding schedule based on the Council's recommendations for 1981-82 salary increases. Column F shows the relationship between the minimum (Column D) and the funding schedule. The array of increasing percentages (Column F) is predicated on: (1) The philosophy of increasing worth of professional services relative to the professional growth and experience of the faculty member, (2) The increasing costs associated with the recruitment and retention of qualified, experienced faculties, and (3) The costs associated with addressing the salaries of existing faculties relative to market changes that have occurred since their employment.

In addressing market conditions, the institutions may describe the relationship of salaries for faculty in selected disciplines to a base plan through the development of market factors. The framework of such factors would be developed within the funding parameters of the market/merit component of the plan. Decisions for factoring (or not factoring) are at institutional discretion and would be self-balancing.

For example, in a specific discipline, to be competitive in the market place, it might be determined that faculty salaries offered must be approximately 10 percent higher than the institution's general averages. Through the use of a discipline factor, which described that market condition, the decision to hire at Step 54 and provide consideration for market (Step 54 minimum salary factored at 1.10 in this example) permits the placement of the faculty member on an appropriate level and disassociates market competitiveness from minimum salary schedule placement.

Under this system, market factors serve to describe variance from a minimum plan caused by changing circumstances such as availability of qualified faculties in certain disciplines, institutional emphasis in strengthening specific programs or modification of institutional goals. As such, salary considerations in response to market conditions remain discretionary and do not accrue to base salaries. It needs to be emphasized, however, that one would not expect precipitous changes in market conditions and market adjustment could essentially be an ongoing commitment with gradual adjustment as conditions evolve.

Merit awards would result in a faculty member receiving the incremental increase on the minimum schedule plus a dollar differential for merit recognition if warranted. Institutions may choose to commit merit funds to an individual for a period of time greater than one year. Periodic evaluation would provide the basis for both annual incremental increases for professional growth and for the continued commitment of a merit award.

Institutional evaluation of both market and merit considerations should address the necessities of responding to market competitiveness in balance with merit award provisions. It is not the intent of this salary plan to prescribe the distribution of these discretionary funds, but rather to encourage the development of a strong, well-communicated merit program in conjunction with consideration of market pressures imposed on the institutions.

THE FUNDING SCHEDULE AND OPERATION OF THE PLAN

Maintenance of the plan (funding appropriate increments) would require executive and legislative acceptance of the funding schedule within the operating budgets of the institution. Funding of increments would be predicated on the eligible continuing faculty, that is those faculty members who have not reached the maximum salary of their rank.

External to the plan is the separate executive and legislative consideration of cost of living adjustments. Such adjustments would increase the minimum schedule in an effort to maintain constant dollar relationships.

Nothing in the plan precludes executive or legislative decisions to generally increase faculty salaries through the appropriation process for additional cost of living adjustments or to address overall competitive positions. In a plan common to multiple institutions, it is assumed that cost of living adjustments would be common to all institutions. However, the overall competitive position among institutions might well be addressed

individually through a specific appropriation to adjust an institution's average salaries. In order to leave both the common schedule and the degree of flexibility basically unchanged, funding for additional step increases could be used to address the position of an institution's faculty either in total or a specific rank without altering the schedule itself.

Strengths of the Plan

The plan offers a totally communicated system whereby faculty members can understand the potential for salary increases and conduct their professional performance to achieve various salary patterns. The opportunities for monetary recognition of promotion and meritorious service exist and would be available to those who seek such career advancement.

The flexibility for institutions to recognize and reward the performance of their faculties is substantial. Institutional latitude in response to market conditions is inherent in the plan. The degree to which institutions develop or maintain a strong merit system remains a matter for institutional policy.

The plan further provides the Governor's Office and the Legislature with a system which communicates the faculty salary issues on which their appropriation decisions can be based.

Alternative Plans

The range of possibilities for alternative plans is virtually endless. Council staff members have reviewed and discussed a variety

of approaches used by other institutions or multi-institutional systems. The exclusion of such plans from consideration was primarily due to the rigidity and lock step features which they employed that left little, if any, administrative discretion in the matter of salary decision. Conversely, a system designed to provide total administrative discretion in the distribution of funding is neither responsive to the directive of the Legislature nor supportive of the faculty concerns for a well communicated salary plan.

APPENDIX C

Other Issues Relating to Faculty Compensation

Faculty Migration and Turnover

The legislative directive to the Council called for a discussion of migration and turnover rates in Washington's institutions as opposed to other appropriate states. Whether or not a causal relationship exists between faculty salary levels and faculty migration and turnover is difficult to ascertain. Information on the number of continuing faculty has been reported in the HEGIS survey for the most recent three years. A review was made of the percentage of faculty employed in 1978-79 who continued their employment at the same institution in 1979-80 for all out-of-state comparison institutions.

In the seven state major research universities an average of 86.9 percent of the faculty were reported as continuing, with institutions ranging from 81.2 percent to 91.9 percent. Expanding that review to include the Big 10/Pac 10 institutions results in the same unweighted average and the same ranges.

By comparison, patterns at Washington universities for the last three years are as follows:

	1977-78	1978-79	1979-80
University of Washington	89.1%	89.4%	87.1%
Washington State University	87.6%	88.2%	90.4%
Average of Comparison Institutions			86.9%

In the seven state regional colleges and universities, an average of 92.8 percent of the faculty were reported as continuing, with institutions ranging from 88.9 percent to 96.0 percent. Patterns in Washington for the

last three years were:

	1977-78	1978-79	1979-80
Central Washington University	94.6%	89.3%	88.6%
Eastern Washington University	94.5%	82.6%	88.8%
The Evergreen State College	83.6%	82.9%	82.7%
Western Washington University	91.9%	91.8%	91.7%
Average of Comparison Institutions			92.8%

These statistics do not identify the reasons for faculty leaving an institution. Typical reasons would include retirements, resignations for health and personal reasons, and career changes, as well as resignations for faculty appointments at other institutions, some of which may well be prompted by salary and fringe benefit considerations.

From this limited review, it appears that faculty at major research universities are more mobile than those at regional colleges and universities. The greater emphasis on research grants, and research facilities might influence the level of mobility in major universities in addition to compensation considerations.

To provide additional information on the issue of migration and turnover of faculty in Washington, administrators were asked to discuss the relationship of faculty salaries to recruitment and retention. The following responses illustrate these relationships where they can be identified.

> "Faculty who leave the institution or prospective faculty who turn down offers from the institution do not always give reasons, and when they do, the reason given may not be the only reason or even the most important. Usually there are several factors influencing their decision and they may only be giving a convenient answer. In addition, it is very difficult to know exactly how the available salary effects recruitment because most departments include the

salary in their position advertisements and many people who might otherwise have been interested do not inquire or apply after seeing the advertisement. We have, however, surveyed the departments and are reporting only those cases where the chairman is sure that salary was the reason or at least a principle reason.

a. Departments are sure that at least eight faculty members resigned during the last three years because of more attractive offers elsewhere. Three of these were in the Department of Physical Education, Health Education and Leisure Services. Two were in Home Economics and there was one each in The School of Business and Economics, The Department of Art, and the Department of Business Education.

b. Nineteen prospective faculty turned down offers during the same period and these were distributed as follows: The School of Business and Economics were turned down by five; there were also five in the Department of Physical Education, Health Education, and Leisure Services; two refused offers in The Department of Early Childhood Education; The Department of Education had two refusals; there were also two in Speech Pathology; and one each in Art, Home Economics, and Psychology."

"We face continuing recruiting problems due to the below average salary levels of our School of Business faculty members. This situation generates resistance to market level offers to potential faculty members. As an example, we recently prepared to make an offer of approximately $21,000 to a (candidate) about to receive a Ph.D. in accounting. Although he told us he and his family felt (Washington institution) was their top choice, he could not pass up an offer of $27,000 at a midwestern school.

We have recently failed to attract a single doctorally qualified candidate for an opening in production management in spite of a national advertising campaign. Potential candidates contacted on the telephone were amused at the tentative salary range we mentioned and advised us not to waste our time recruiting at these levels.

Following is a summary of salaries of accredited schools of business recently conducted by our accrediting agency, The American Assembly of Collegiate Schools of Business (1980-81 salaries have been calculated at a modest 7% increase over 1979-80):

Associate Professors

Area	1980-81 mean	1979-80 mean	1978-79 mean
Management	26.1	24.4	22.8
Finance	26.9	25.1	23.1
Marketing	26.5	24.8	22.9
Accounting	27.5	25.7	23.6

These mean salary levels for associate professors are roughly comparable to the better salaries of our full professors. Under this conditions it becomes difficult to offer attractive salaries to new Ph.D.'s just beginning their careers."

"This Department attempted to fill a position in computer science for the 1979-80 academic year. We advertised a nontenure track opening for a visiting assistant or visiting associate professor. Applicants were required to have a Ph.D. degree in computer science or equivalent industrial experience. The salary range advertised was $13,000-$18,200.

Ads were run in the Employment Information in the Mathematical Science, The Chronicle of Higher Education, and in newspapers in Washington, Oregon, California, Texas, Colorado, and Arizona. We also mailed flyers to all four-year colleges and universities in Washington, Oregon, and Idaho. A total of nine (9) candidates applied for the position. The person most qualified wouldn't even come for an interview since our top salary offer was less than half his current salary. Of the three candidates interviewed, none had a Ph.D. degree in computer science. The candidate who accepted our offer is an ABD. So we were not successful in hiring a computer scientist due to (1) nontenure track; (2) term position, and (3) ridiculously low salaries.

The Department is currently in the process of attempting to fill this position in computer science for 1980-81. We are advertising a minimum two-year associate professorship in computer science requiring a Ph.D. in computer science or equivalent industrial experience. We included in the advertisement the fact that tenure track is possible after the initial two-year appointment. This position was advertised in the Employment Information in the Mathematical Sciences, and flyers were sent to every four-year college and university in Washington, Oregon, Idaho, and California with no results at all. The ad was then run in the Chronicle of Higher

Education and one person has responded. We are now advertising in newspapers in Washington, Oregon, California, Texas, Colorado, and Arizona with no responses as of today. Four more people have applied for the position after hearing about it from people on our staff.

So the net result is that we have a total of five people applying for this position and only one has a degree in computer science. This candidate is presently employed in industry at more than the maximum salary we have been authorized to offer."

Comparison of Tax Burden Within the Seven States

The differing tax structure of the states prohibits a fully precise data base on which to make comparisons. Although the issue of taxation structures and rates is clearly beyond the scope of this study, it is important to recognize that differences do exist both in state personal income tax rates (not applicable in Washington) and sales tax rates (not applicable in Oregon).

The following table illustrates the average tax burden per capita and per $1,000 of personal income in each of the survey states for 1978. In general, the tax burden on citizens of these states may be seen as comparable and above or near the national average.

State and Local Tax Burden
Per Capita by State - 1978

State	Per Capita Amount	National Rank	Per $1,000 Personal Income	National Rank
California	1227.47	3	157.99	4
Illinois	916.99	16	118.03	28
Indiana	706.67	34	102.95	46
Michigan	958.84	12	126.68	18
Minnesota	1001.38	8	141.64	8
Oregon	871.73	19	128.44	16
Wisconsin	970.00	11	141.62	9
Washington	929.02	15	127.34	17
National Average	886.86	(17)	127.49	(16)

APPENDIX D

Additional Explanatory Information and Analysis

FIGURE I

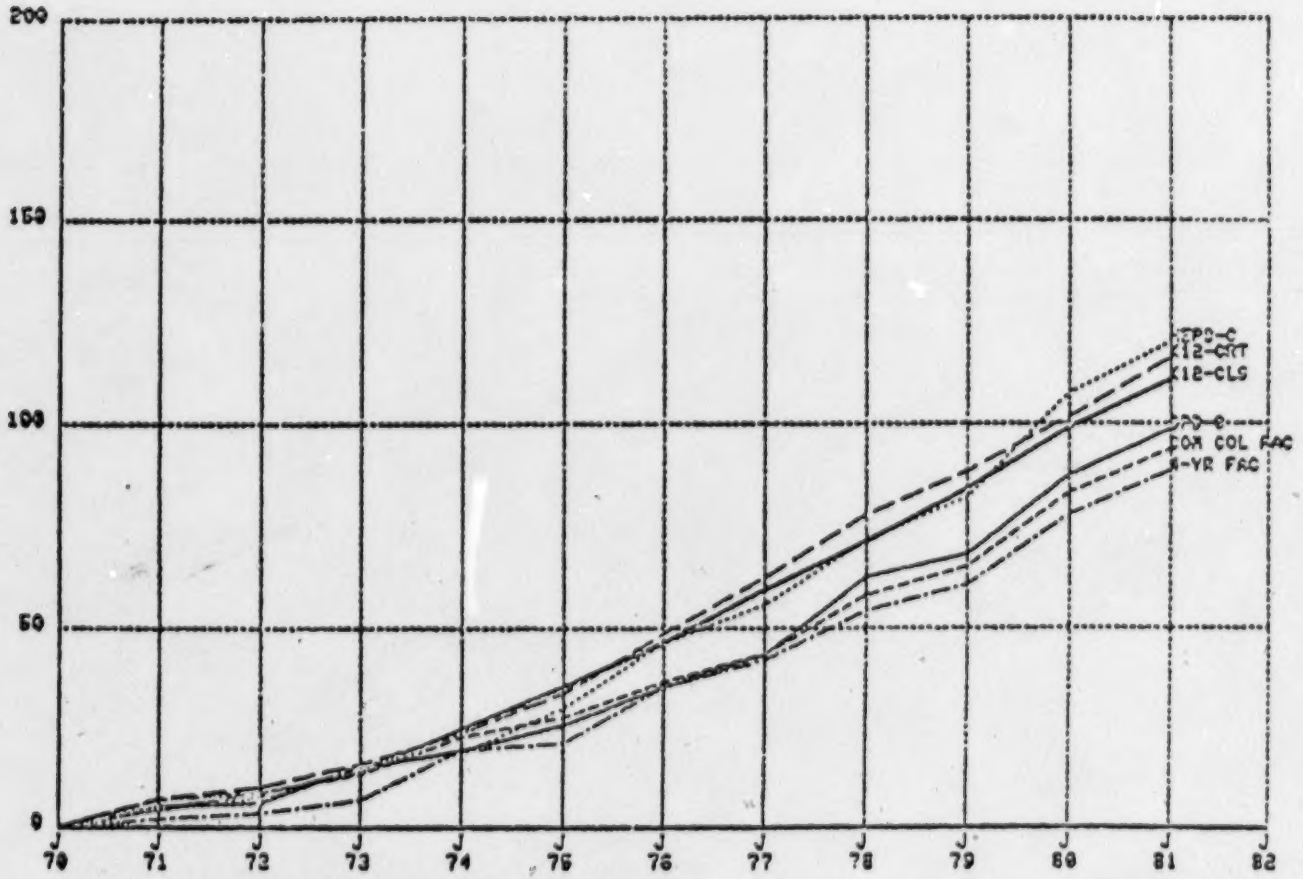
LEAP OFFICE

LEAP

WASHINGTON STATE

PERCENTAGE GROWTH
COMPARISON
SALARIES

DATE 11/30/72
TIME 14:32



* These amounts do not represent the sum of salary increases granted over the 11-year period. That calculation would yield a lower result since each succeeding increase would be calculated against the prior year's base instead of against the 1970 base.

FIGURE II

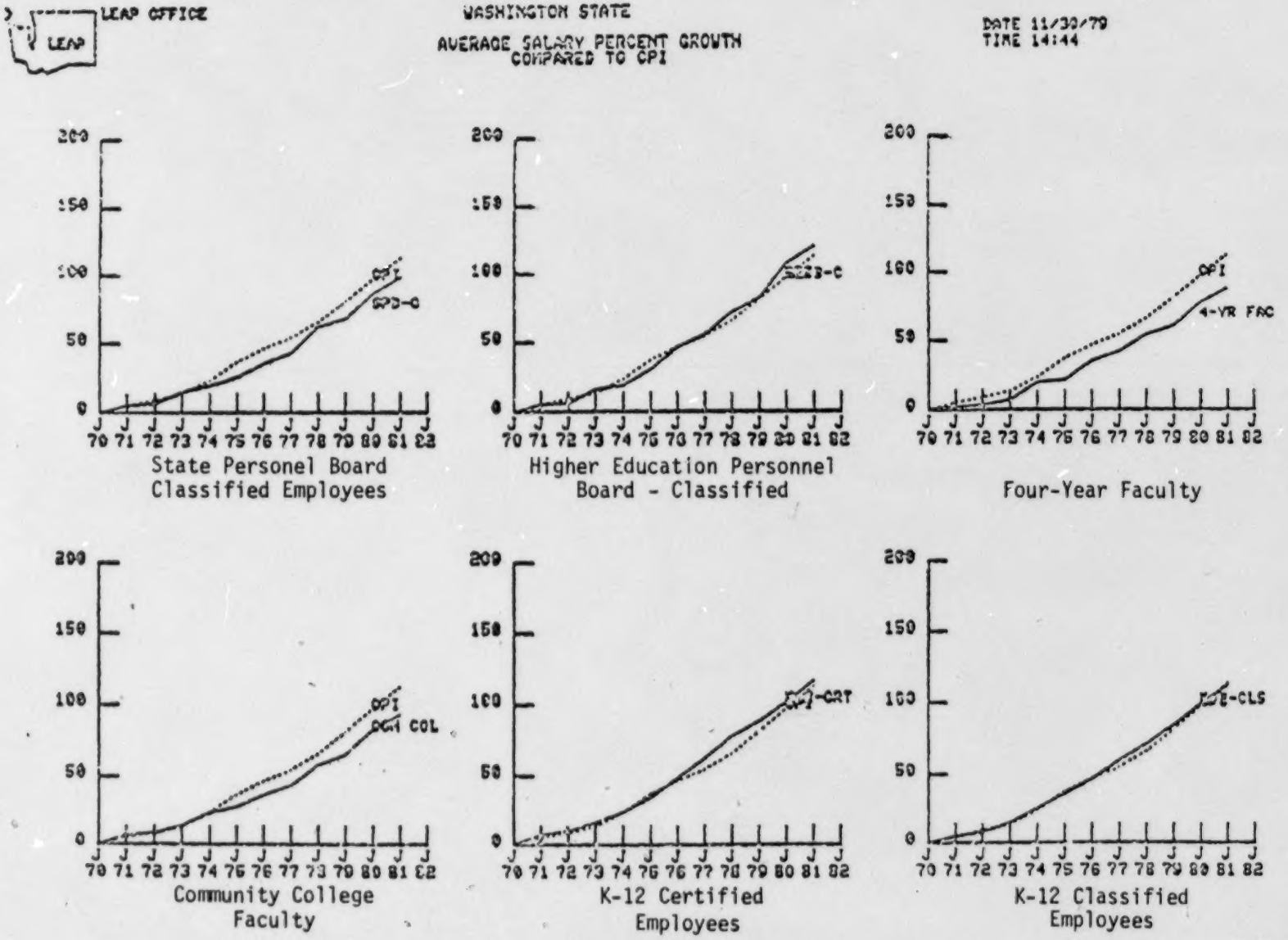

LEAP OFFICE
LEAP
WASHINGTON STATE
AVERAGE SALARY PERCENT GROWTH
COMPARED TO CPI
DATE 11/30/79
TIME 14:44
200
150
100
50
0
J J J J J J J J J J J J J
70 71 72 73 74 75 76 77 78 79 80 81 82
CPI
SPB-C
State Personel Board
Classified Employees
HEB-C
Higher Education Personnel
Board - Classified
4-YR FAC
Four-Year Faculty
COL
Community College
Faculty
CRT
K-12 Certified
Employees
CLS
K-12 Classified
Employees

TABLE 1

Average Faculty Salaries - Nine Month Basis
1967-68 to 1979-80

	1967-68 Average Salary	1968-69 Average Salary	Increase Over 1967-68	1969-70 Average Salary	Increase Over 1968-69	1970-71 Average Salary	Increase Over 1969-70	1971-72 Average Salary	Increase Over 1970-71	1972-73 Average Salary	Increase Over 1971-72
University of Washington	$12,719	$13,330	4.8%	$14,146	6.1%	$14,709	4.0%	$14,768	.4%	$15,235	3.2%
Percent below seven states	(4.1%)	(5.8%)		(5.6%)		(9.0%)		(9.0%		(12.4%)	
Increase over 1967-68		4.8%		11.2%		15.6%		16.1%		19.8%	
Washington State University	$11,992	$12,660	5.6%	$13,505	6.7%	$13,917	3.1%	$13,859	.4%	$14,332	3.4%
Percent below seven states	(3.5%)	(5.0%)		(5.4%)		(5.5%)		(9.5%)		(14.0%)	
Increase over 1967-68		5.6%		12.6%		16.0%		15.6%		19.5%	
Central Washington University	$10,166	$11,071	8.9%	$11,908	8.4%	$12,570	4.8%	$12,689	1.0%	$12,996	2.4%
Percent below seven states	(7.1%)	(5.5%)		(5.3%)		(5.5%)		(7.7%)		(13.6%)	
Increase over 1967-68		8.9%		17.1%		23.6%		24.8%		27.8%	
Eastern Washington University	$10,631	$11,236	5.7%	$11,654	3.7%	$12,469	7.0%	$12,587	.9%	$13,051	3.7%
Percent below seven states	(.1%)	(2.3%)		(5.4%)		(4.0%)		(7.2%)		(13.6%)	
Increase over 1967-68		5.7%		9.6%		17.3%		18.4%		22.8%	
The Evergreen State College	--	--		--		--		$13,168		$13,642	3.6%
Percent below seven states								(.5%)		(7.0%)	
Western Washington University	$10,412	$11,248	8.0%	$12,389	10.1%	$12,877	4.0%	$12,582	-2.3%	$13,000	3.3%
Percent below seven states	(6.9%)	(8.1%)		(5.5%)		(6.8%)		(10.3%)		(14.9%)	
Increase over 1967-68		8.1%		19.0%		23.7%		20.8%		24.9%	
Community Colleges	$ 9,516	$10,491	10.25%	$11,355	8.2%	$12,153	7.0%	$12,330	1.5%	$12,891	4.5%
Increase over 1967-68		10.25%		19.5%		27.7%		29.6%		35.5%	
Low District	$ 8,123-#20	$ 9,175-#20		$ 9,806-#18		$11,045-#20		$11,115-#20		$11,705-#20	
High District	$10,355-#22	$12,038-#5		$12,513-#22		$13,253-#22		$13,367-#22		$14,154-#22	
Secondary Teachers	$ 8,198	$ 8,799	7.3%	$ 9,611	9.2%	$10,292	7.1%	$10,565	2.6%	$11,181	5.8%
Increase over 1967-68		7.3%		17.2%		25.5%		28.9%		36.4%	
Consumer Price Index X 10	$10,190	$10,680	4.8%	$11,310	5.9%	$11,900	5.2%	$12,330	3.6%	$12,820	4.0%
Increase over 1967-68		4.8%		11.0%		16.8%		21.0%		25.8%	

* Using a rank shadow system as discussed on Page A-18.

SOURCES: Office of State College and University Presidents; State Board for Community College Education; Superintendent of Public Instruction; and the Department of Revenue.

TABLE 1
(Cont.)

Average Faculty Salaries - Nine Month Basis
1967-68 to 1979-80

1973-74 Average Salary	Increase Over 1972-73	1974-75 Average Salary	Increase Over 1973-74	1975-76 Average Salary	Increase Over 1974-75	1976-77 Average Salary	Increase Over 1975-76	1977-78 Average Salary	Increase Over 1976-77	1978-79 Average Salary	Increase Over 1977-78	1979-80 Average Salary	Increase Over 1978-79
$17,140 (4.5%) 34.8%	12.5%	$17,150 (11.2%) 34.8%	.1%	$19,067 (7.9%) 49.9%	11.2%	$19,945 (6.9%) 56.8%	4.6%	$21,799 (3.8%) 71.4%	9.3%	$22,694 (4.4%) 78.4%	4.1%	$25,032 (4.9%) 96.8%	10.3%
$16,002 (7.3%) 33.4%	11.7%	$16,021 (14.7%) 33.6%	.1%	$18,015 (11.4%) 50.2%	12.4%	$18,937 (10.3%) 58.3%	5.4%	$20,602 (7.6%) 71.8%	8.5%	$21,502 (6.9%) 79.3%	4.4%	$23,696 (6.9%) 97.6%	10.2%
$14,592 (7.5%) 43.5%	12.3%	$15,507 (10.1%) 52.5%	6.3%	$17,452 (5.1%) 71.7%	13.1%	$18,345 (4.6%) 80.5%	5.1%	$19,509 (4.0%) 91.9%	6.3%	$20,046 (5.2%) 97.2%	2.8%	$22,322 (4.4%) 119.6%	11.4%
$14,545 (9.0%) 36.8%	11.5%	$14,931 (13.4%) 40.4%	2.6%	$16,647 (10.6%) 56.6%	11.5%	$17,470 (10.2%) 64.3%	4.9%	$18,874 (7.4%) 77.5%	8.0%	$19,807 (7.9%) 86.3%	4.9%	$22,314 (5.6%) 109.9%	12.7%
$15,365 (2.2%)	12.6%	$15,764 (4.7%)	2.6%	$17,772 (.7%)	12.7%	$18,737 1.1%	5.4%	$19,368 (2.3%)	3.4%	$20,100 (3.2%)	3.8%	$22,229 (5.9%)*	10.6%
$14,341 (10.0%) 37.7%	10.3%	$14,521 (17.5%) 39.5%	1.3%	$16,319 (13.3%) 56.7%	12.4%	$17,278 (12.9%) 65.9%	5.9%	$19,116 (6.7%) 83.6%	10.6%	$19,927 (6.7%) 91.4%	4.2%	$21,931 (6.0%) 110.6%	10.1%
$13,969 46.8%	8.4%	$14,150 48.7%	2.4%	$15,326 61.1%	8.3%	$16,286 71.1%	6.3%	$18,108 90.3%	11.2%	$18,762 97.2%	3.6%	$20,811 118.7%	10.9%
$12,489-#20 $15,592-#22		$12,263-#20 $15,889-#22		$12,906-#20 $17,377-#22		$13,058-#21 $18,256-#22		$15,539-#21 $20,435-#22		$16,316-#21 $21,176-#22		$17,958-#20 $22,998-#22	
$11,962 45.9%	7.0%	$12,641 54.2%	5.7%	$14,068 71.6%	11.3%	$15,800 92.7%	12.3%	$17,032 107.8%	7.8%	$18,333 123.6%	7.6%	$19,484 137.7%	6.3%
$13,970 37.2%	9.0%	$15,520 52.3%	11.1%	$16,620 63.1%	7.1%	$17,580 72.5%	5.8%	$18,775 84.2%	6.8%	$20,315 99.4%	8.2%	$22,980 125.5%	13.1%

* Using a rank shadow system as discussed on Page A-18.

SOURCES: Office of State College and University Presidents; State Board for Community College Education; Superintendent of Public Instruction; and the Department of Revenue.

Reprinted from: "WASHINGTON STATE RESEARCH COUNCIL REPORT, March 15, 1980

THE CONSUMER PRICE INDEX UNDER FIRE

On February 6 the Research Council was asked to testify before the House Revenue Committee on the Consumer Price Index. Excerpts from the testimony follow:

A flurry of charges have recently been leveled at the nation's most well-known and widely used measure of inflation – the Consumer Price Index. Critics contend the CPI is "loaded" and systematically overstates the actual rate of inflation.

If such charges are well founded, the stakes may be greater than commonly imagined since the CPI is more than an "innocent" measure of inflation – it has a profound impact on the national economy. For example, each percentage change in the index triggers an estimated $1 billion to $2 billion in federal spending. The index automatically determines cost-of-living raises for over 9 million employees and is used to set new pay rates for millions of other workers. And vital economic and fiscal decisions hinge on the monthly releases that report how the battle against inflation is faring.

Critics contend the CPI is "loaded" and systematically overstates the actual rate of inflation.

It is important to understand what the CPI is and what it isn't. It could be, as Janet Norwood, Commissioner of the Bureau of Labor Statistics (BLS), contends, the best measure of price changes available. But even as BLS literature is careful to point out, "although the Consumer Price Index is often called a *cost-of-living* index (and sometimes is used as one) it is in fact a *price* index, reporting changes in prices for a fixed group of items." The difference is more than semantic subterfuge. It is critical in understanding the complaints lodged against the CPI.

No Substitutions Allowed

The Consumer Price Index measures the changes in retail price for a fixed basket of goods and services ranging from cars to clothes and vegetables to vacations. It is assumed that the same market basket is purchased month after month. It has been charged that this assumption flies in the face of common sense not to mention analysts' models of economic behavior. If one particular item increases in price at an unusual pace, the most common consumer response is to either buy less of the good or substitute a similar commodity for the higher priced item.

The CPI stubbornly assumes that neither activity take place. For example, when hamburger prices shot up above $1.50 per pound, shoppers started buying more chicken at 79 cents per pound. Since the CPI measures a fixed market basket of goods, this change in consumption patterns was ignored. As Yale economist Richard Ruggles says, "When the CPI acts as if you're spending a lot on beef and you've switched to something else, your inflation rate is overstated."

The CPI market basket is based on a consumer expenditure survey conducted in 1972 and 1973. In 1972 you could buy a gallon of gasoline for 35 cents. Yet today when motorists are already nostalgic for $1.00 per gallon gasoline, the CPI assumes consumers are continuing to buy gas in the same proportion as eight years ago. When shortages and long gas lines prevented motorists from buying in those quantities, no adjustment was made in the index. And the transportation component of the CPI increased by 17.5 percent between November 1978 and November 1979 driven largely by the recorded jumps in gas prices.

The sticky question is, to what extent should the market basket of goods and services change? The Bureau of Labor Statistics recognizes that tastes and spending habits change over time and periodically adjusts the market basket accordingly. It did so in the late 1950's and again in the early 1970's. But in periods of high inflation, consumer patterns tend to shift rapidly as prices of various items jump at vastly different rates. This can quickly antiquate a fixed market basket which may soon have little in common with what consumers are really buying.

Geoffrey Moore, ex-Commissioner of BLS and current Director of the Center for International Business Cycle Research poses another interesting question: "What market basket would leave (consumers) just as well-off as before?" While shoppers answer this question every day in the marketplace, statisticians and economists continue to wrestle with it. Is eating a piece of chicken just as good as eating hamburger or does it indicate that standards of living are decaying? As Moore asks, "Is 68 degrees just as good as 72? Is a compact car as good as a gas guzzler? If not, then by allowing the market basket to change, the basket may cost less, but may not be so good a basket." While questions like this may seem less than critical to the average consumer, failure to resolve them has prevented the reality of substitution behavior from being routinely built into the CPI.

The Housing Hassle

President Carter's official inflation fighter Alfred Kahn has described the housing component of the CPI as "an element of fraudulence that significantly exaggerates inflation." It is charged that inflation may be overstated by as much as 2.7 percent strictly because of the way increasing housing costs are computed.

Basically, housing costs are treated the same way that cars or refrigerator purchases are handled. As analyst Edward Henry puts it, "It's as if houses were cupcakes that you buy every month." In other words, housing is treated as a lump sum purchase. This captures both the skyrocketing price of houses and unprecedented mortgage costs. It is assumed that the same proportion of people are buying houses today as in 1972 and 1973.

Obviously, the vast majority of Americans did not buy a house last year. Most homeowners are still paying modest mortgages on their homes that were purchased prior to the recent price surge. In addition, a number of states and municipalities cut property taxes last year which actually reduced the cost of homeownership to millions of residents. Yet as *U.S. News and World Report* notes, "Their experience does not fit with government statistics showing that the cost of home ownership rose 15.5 percent across the nation last year."

The Bureau of Labor Statistics has been studying alternative ways to measure housing costs. Beginning in November, the Bureau has computed five experimental housing cost measures along with the conventional CPI. The experimental methods reduced the January 1979 to January 1980 inflation rate by as much as 2.7 percent. This means a drop from 13.9 percent to as low as 11.2 percent. While an inflation rate of 11.2 percent still isn't "tolerable," it does make a difference.

The alternative that made the most difference treats housing costs in terms of "rental equivalencies," that is, how much rent would homeowners pay if they were renting their house. Other methods attempt to break out the "investment" component of home ownership and use mortgage costs averaged over fifteen years rather than current market rates.

It is interesting to note that another less publicized measure of inflation, the implicit price deflator for personal consumption has recorded a lower rate of inflation since 1975 than the CPI. This is largely because of the way it treats shelter costs. It also is compiled on the basis of the actual consumer spending mix rather than a market basket of what consumers used to buy in the past.

The Same Eggs, Different Baskets

Some applications of the CPI have highlighted problems with the index as a general measure of inflation. Beginning in 1975, the index triggered automatic increases in Social Security benefits for an estimated 34 million recipients. Yet there is little similarity between retirees' spending patterns and those measured by the CPI.

Data from a 1972-73 Consumer Expenditure Survey provide some insight into these differences. For example, medical care expenditures are nearly twice as important to senior citizens as to the average family. Only 57 percent of retired consumers owned an automobile compared to 80 percent of "all families." Only 9 percent made mortgage principal payments compared to an average of 36 percent. Yet none of these differences are considered when benefits to retired persons are "adjusted for inflation."

Alfred Kahn has described the housing component of the CPI as "an element of fraudulence that significantly exaggerates inflation."

What difference would it make if separate indices were compiled to specifically chart prices rises for different groups? Inflation has been described by Fabian Linden of the Conference Board as "one of the great democratic institutions" because it hits everybody. Economist Arthur Okun says, "Almost everybody thinks he has the short end of the stick and is sure that someone else has the longer end. But when you look at the data, it becomes clear that the great new product of this era is a stick with two short ends."

Yet an examination of the components of price rises disputes the notion that inflation is the great equalizer. Housing and transportation costs (both influenced by climbing fuel prices) have led double digit price hikes this year. Consumers who devote a larger than average proportion of their budget to these items are obviously hit the hardest. And as previously mentioned, it is arguable whether the CPI reflects "average" consumer behavior.

The CPI, in fact, could be singularly inappropriate as an index for senior citizens. Since the biggest distortion in the index relates to new home purchases and very few senior citizens even make mortgage principal payments, the index might be considered totally unsatisfactory. An index that accentuated medical costs, home heating fuel, and food purchases and de-emphasized new home purchases at high interest rates and transportation costs would more accurately reflect increases in the cost-of-living for retirees.

Many organizations and individuals have advocated a separate CPI for retirees and the elderly for many years. Distortions caused by periods of high inflation may give their efforts a real boost. In fact, the issue is not simply adding a new index but overhauling the old one which may be inflationary in and of itself. As long as billions of dollars in income transfers are automatically triggered by changes in the CPI, the issue is not strictly an academic one. It permeates policy questions at all levels of government, affects the livelihood of millions of Americans, and impacts the pocketbooks of all taxpayers.

– Will Rice

FIGURE III

Calculation of Net Incremental Percentage

1. Total 1980-81 salaries in comparison base = _____

2. Total 1980-81 salaries in comparison base within estimated ranges = _____

3. Times average increment % X _____%

4. Equals gross cost of increments _____

5. 1979-80 salaries of faculty employed in 1979-80 but not in 1980-81 = _____

6. Divided by number of faculty not continuing ÷ _____

7. Equals 1979-80 average salary of turnover staff = _____

8. Times adjustment for average 1980-81 salary increases X 1.075

9. Equals 1980-81 estimated salaries of turnover staff = _____

10. Turnover staff (line 6) times midpoint of assistant professor for 1980-81 = _____

11. Calculated savings due to turnover _____

12. 1979-80 net savings due to professional leave of positions in comparison base = _____

13. Times adjustment for average 1980-81 salary increases X 1.075

14. Equals calculated savings due to professional leave _____

15. Line 4 minues lines 11 and 14 = _____

16. Net cost of increments _____

17. Net increment percent (line 16 ÷ line 1) _____%